

STATE OF LOUISIANA LEGISLATIVE AUDITOR

Louisiana State University System
State of Louisiana
Baton Rouge, Louisiana

January 2, 2002



Financial and Compliance Audit Division

Daniel G. Kyle, Ph.D., CPA, CFE
Legislative Auditor

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**LOUISIANA STATE UNIVERSITY SYSTEM
STATE OF LOUISIANA
Baton Rouge, Louisiana**

**General Purpose Financial Statements
and Independent Auditor's Reports
As of and for the Year Ended June 30, 2001
With Supplemental Information Schedules**

Under the provisions of state law, this report is a public document. A copy of this report has been submitted to the Governor, to the Attorney General, and to other public officials as required by state law. A copy of this report has been made available for public inspection at the Baton Rouge, New Orleans, and Shreveport offices of the Legislative Auditor.

January 2, 2002

LOUISIANA STATE UNIVERSITY SYSTEM
STATE OF LOUISIANA

General Purpose Financial Statements
and Independent Auditor's Report
As of and for the Year Ended June 30, 2001
With Supplemental Information Schedules

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A



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December 13, 2005

**Independent Auditor's Report
 on the Financial Statements**

**LOUISIANA STATE UNIVERSITY SYSTEM
 STATE OF LOUISIANA
 Baton Rouge, Louisiana**

We have audited the accompanying general purpose financial statements of the Louisiana State University System, a component unit of the State of Louisiana, as of and for the year ended June 30, 2005, as listed in the foregoing table of contents. These general purpose financial statements are the responsibility of management of the Louisiana State University System. Our responsibility is to express an opinion on these financial statements based on our audit.

We did not audit the financial statements of the Louisiana State University School of Medicine in New Orleans Faculty Group Practice (doing business as LSU Healthcare Network), included within the general purpose financial statements of the Louisiana State University System. As discussed in notes 1-B and 2E, the LSU Healthcare Network is a non-profit corporation included as a part of the Louisiana State University System, Louisiana State University Health Sciences Center, and represents the following amounts and percentages of total assets, revenues, and expenditures:

	Restricted Fund		Investment of Individuals Fund		Investment in Plant Fund	
	Amount	Percentage of Total	Amount	Percentage of Total	Amount	Percentage of Total
Statement A:						
Assets	\$19,870,029	7.7%			\$2,107,881	Less than 1%
Statement B:						
Revenues	15,840,029	9.6%			\$14,589	Less than 1%
Expenditures	14,775,085	18.0%	\$100,230	Less than 1%	\$7,083	Less than 1%

The financial statements of the LSU Healthcare Network were audited by another auditor whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the previously mentioned funds, is based on the report of the other auditor.

LEGISLATIVE AUDITOR

LOUISIANA STATE UNIVERSITY SYSTEM STATE OF LOUISIANA

Audit Report, June 30, 2001

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit and the report of the other auditor provide a reasonable basis for our opinion.

In our opinion, based on our audit and the report of the other auditor, the accompanying general purpose financial statements referred to above present fairly, in all material respects, the financial position of the Louisiana State University System at June 30, 2001; the changes in fund balances; and the current funds revenue, expenditures, and other changes for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

As discussed in notes 15 and 17 to the general purpose financial statements, the system changed its threshold for capitalizing fixed assets in the investment in plant fund.

As discussed in note 27 to the general purpose financial statements, the Louisiana State University System will implement the provisions of Governmental Accounting Standards Board (GASB) Statement Number 34, Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments, as amended by GASB Statement Number 35, for the fiscal year ended June 30, 2002. The effects of GASB Statement Number 34 are expected to significantly impact the presentation of the financial statements of the Louisiana State University System in the year of implementation. The revised minimum reporting requirements include Management's Discussion and Analysis to introduce the basic financial statements and to provide an analytical overview of the Louisiana State University System's financial activities. In addition, the revised requirements include the presentation of the Louisiana State University System's financial statements as a business-type activity using the economic resources measurement focus and the accrual basis of accounting.

In accordance with Government Auditing Standards, we have also issued our report dated December 12, 2001, on our consideration of the Louisiana State University System's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grants. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be read in conjunction with this report in considering the results of our audit.

LEGISLATIVE AUDITOR

LOUISIANA STATE UNIVERSITY SYSTEM
STATE OF LOUISIANA
Audit Report, June 30, 2001

Our audit was made for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The accompanying supplemental information schedules listed in the table of contents are presented for the purpose of additional analysis and are not a required part of the general purpose financial statements of the Louisiana State University System. Such information has been subjected to the procedures applied in the audit of the general purpose financial statements and, in our opinion, based on our audit and the report of the other auditor, is fairly stated in all material respects in relation to the general purpose financial statements taken as a whole.

Respectfully submitted,



Daniel G. Nyle, CPA, CFE
Legislative Auditor

JPRS:SRCL:14

LSU-1

LOUISIANA STATE UNIVERSITY SYSTEM
STATE OF LOUISIANA
ALL FUNDS

Combined Balance Sheet, June 30, 2001

	CAPITAL FUNDS			DEBT LIABILITIES FUNDS	ENDORSEMENT FUNDS
	GENERAL	OPERATIONAL	RESTRICTED		
ASSETS					
Cash and bank equivalents (note 2)	\$54,904,795	\$75,500,000	\$18,482,443	\$3,470,640	\$9,521,876
Investments (note 3)	\$5,481,700	377,800	15,554,341	10,000	\$5,881,763
Accounts receivable	73,888	41,807	222,280	88	101,400
Accounts receivable - note 1)	19,669,485	5,041,790	53,873,683		85,000
Due from state - General Fund					
Due from private foundations			171,400		
Notes receivable				\$1,280,000	
Due from other funds (note 2)	81,007	2,488,834	4,189,124		
Deferred charges and prepaid expenses	2,468,884	2,204,376	2,085,790		
Inventory	21,859,834	1,866,887	26,400		
Intangible plant (note 11)					
Assets under capital lease					
Other assets	1,036	4,000	2,480		1,079,524
Total Assets	\$111,171,489	\$87,088,817	\$88,088,047	\$34,750,168	\$19,494,583
LIABILITIES AND FUND-EQUITY					
LIABILITIES:					
Accounts payable	\$43,815,900	\$4,718,888	\$1,388,500		
Accrued liabilities	17,880,790	810,824	5,857,450		
Due to state treasury (note 10)	\$5,825,000				
Due to other funds (note 2)	26,881,248	888	1,311,888	888	\$1,750,170
Accounts payable - notes	1,620,548	1,388,771	17,120	45,875	
Deferred revenues	88,880,718	19,888,888	1,871,888		
Compensated absences (note 8) state 1)	88,188,817	2,888,888	1,888,887		
Notes payable (note 10)					
Contracts payable (note 10)					
Receivables under capital lease (note 10)					
Total liabilities	\$88,878,914	\$31,888,888	\$28,171,888	\$45,888	1,750,170
Fund Equity:					
Net investment in plant					
Fund balances (note 8)					
Retained (note 10)	\$1,888,888	1,888,888	15,888,888		
Current operations - unrestricted	(2,000,000,000)				
Amount appropriated for transfer to other funds	(88,888,817)				
Current operations - restricted		\$4,888,888	24,888,888		\$1,771
Management operations:					
Equipment				\$4,888,888	
Endowment					\$4,888,888
Trust endowment					\$4,888,888
Quasi-endowment					\$4,888,888
Total Fund Equity	\$22,292,575	\$55,200,000	\$59,916,159	\$88,272	\$17,744,413
Total Liabilities and Fund-Equity	\$111,171,489	\$87,088,817	\$88,088,047	\$34,750,168	\$19,494,583

The accompanying notes are an integral part of this statement.

**LOUISIANA STATE UNIVERSITY SYSTEM
STATE OF LOUISIANA
ALL FUNDS**

**Combined Statement of Changes in Fund Balances
For the Year Ended June 30, 2001**

	CURRENT FUNDS			STATEWIDE LOAN FUNDING
	GENERAL	OPERATING	NONOPERATING	
Revenues and other additions:				
Unrestricted current fund revenues	807,418,828			
Tuition payments - restricted			821,211,881	
State grants and contracts - restricted			74,000,828	
Federal grants and contracts - restricted			154,084,385	\$412,074
Local grants and contracts - restricted			2,701,848	
Gifts - restricted			50,075,701	
Private grants and contracts - restricted			56,050,598	476
Investment income - restricted			4,000,734	171,843
Interest on bonds receivable				555,071
Rates and services			133,128,000	
State funded scholarships				
Endowment income			2,761,627	
Auxiliary enterprise revenues		814,053,218		
Hospital - restricted	720,512,250		304,004,938	
Revenues from plant facilities				
Repayments of borrowings				
Other sources		187,470	47,008,056	304,047
Total revenues and other additions	<u>1,527,931,078</u>	<u>814,053,218</u>	<u>1,369,087,319</u>	<u>1,481,035</u>
Expenditures and other deductions:				
Educational and general	627,621,408		486,462,340	
Hospital	789,725,347		236,488,477	
Auxiliary enterprises		129,671,671		
Student costs sponsored			52,104,443	
Loan cancellations and awards				416,408
Expenses for plant facilities		161,168		
Depayment of plant facilities				
Repayments of borrowings				
Interest on liabilities				267,488
Refunded scholarships				
Interagency transfers (note 18)	248,800		1,094,611	
Compositional statements	4,289,186	271,000	500,886	
Other		184,540		34,474
Total expenditures and other deductions	<u>1,420,891,507</u>	<u>150,026,649</u>	<u>1,321,471,507</u>	<u>711,469</u>
Transfers among funds - additive (deductive)				
Mandatory:				
Principal and interest		25,807,088	48,051,788	
Loan fund matching	86,300		(13,027)	463,628
Other (note 18)	887,877		463,877	

(Continued)

The accompanying notes are an integral part of this statement.

EMPLOYMENT (FTE)	PLANT FUNDS			INVESTMENT IN PLANT	TOTAL ASSETS/LIABILITIES (\$K)
	DEPRECIATION (EXPENSE)	DEFERRED AND REPLACEMENTS	RETIREMENT OF DEBT INTERESTS		
					227,916,828
					21,222,817
					14,988,498
			228,720		88,178,222
					2,787,848
					12,822,104
20,204,682 (17,9417)	\$4,262,076	\$107,788	487,688		81,208,888
					12,887,477
					889,874
					133,708,888
1,892,000 (84,883)					1,508,888
					2,488,878
					141,803,718
					828,288,188
				\$742,765,888	742,765,888
				8,747,828	8,747,828
18,288 (1,242,122)	2,738,282		2,282	14,487,228	87,288,888
	2,222,222	72,788	142,788	187,222,742	2,422,718,822
					1,128,288,288
					888,227,828
					628,874,828
					22,782,742
					418,488
	28,222,222	284,278		(8,828,428)	28,828,488
					18,828,488
			2,747,828		8,747,828
			7,888,878		7,888,878
	6,024,828				287,828
					7,828,878
					1,828,188
12,288	2,222,222	1,284,244	788,288	27,887,848	24,888,278
(1,242,122)	2,222,222	1,288,274	14,244,188	87,288,728	2,888,422,222
	(1,172,884)		12,887,188		

**LOUISIANA STATE UNIVERSITY SYSTEM
STATE OF LOUISIANA
ALL FUNDS
Combined Statement of Changes in Fund Balances, 2001**

	CURRENT FUNDS			STIPEND / LEAS FUNDS
	GENERAL	ENTRUSTED	RESTRICTED	
Transfers among funds - additions (deductions) (Detail)				
Terminatory				
Capital improvements	(\$1,282,188)	(26,385,114)	(21,193,714)	
Revolving and replacements		(1,883,875)		
Other	1,025,800	(1,598,133)	276,388	814,888
Total transfers among funds	<u>(7,031,288)</u>	<u>(18,867,122)</u>	<u>(20,917,326)</u>	<u>1,629,776</u>
Inventory increase (decrease)	<u>(1,208,362)</u>	<u>609#</u>	<u>2,243</u>	<u>609#</u>
Net increase (decrease) for the year	<u>(\$1,873,851)</u>	<u>(\$1,964,618)</u>	<u>(\$1,638,883)</u>	<u>898,517</u>
Fund balances (credits) at beginning of year (included - note 10)	<u>(188,227,188)</u>	<u>26,838,098</u>	<u>288,233,616</u>	<u>21,884,488</u>
Fund balances (credits) at end of year	<u>(\$1,992,711,800)</u>	<u>\$17,873,480</u>	<u>\$286,594,733</u>	<u>\$22,782,995</u>

(Continued)

The accompanying notes are an integral part of this statement.

Statement B

ENDOWMENT FUNDS	FUND FUNDS				TOTAL (AMOUNTS IN DOLLARS)
	UNREVENUED	PERMANENT AND REPLACEMENTS	RETIREMENT OF INDEBTEDNESS	INVESTMENT IN PLANT	
	\$14,011,801	\$ 881,300			
		1,982,876			
		\$1,101	\$68,607		
<u>GOV. AID</u>	<u>551,000</u>	<u>1,000,000</u>	<u>500,000</u>	<u>600,000</u>	<u>600,000</u>
<u>GOV. B</u>	<u>11,230,801</u>	<u>1,000,000</u>	<u>11,000,707</u>	<u>600,000</u>	<u>600,000</u>
<u>HOA#1</u>	<u>600,000</u>	<u>600,000</u>	<u>600,000</u>	<u>600,000</u>	<u>(21,339,638)</u>
<u>10,000,000</u>	<u>65,210,040</u>	<u>400,076</u>	<u>(2,490,254)</u>	<u>5,100,000,000</u>	<u>60,000,000</u>
<u>84,000,000</u>	<u>70,000,000</u>	<u>9,000,000</u>	<u>10,000,000</u>	<u>2,000,000,000</u>	<u>2,000,000,000</u>
<u>\$24,200,000</u>	<u>\$70,000,000</u>	<u>\$9,000,000</u>	<u>\$10,000,000</u>	<u>\$2,000,000,000</u>	<u>\$2,000,000,000</u>

LOUISIANA STATE UNIVERSITY SYSTEM
STATE OF LOUISIANA
CURRENT FUNDS

Combined Statement of Revenues, Expenditures,
and Other Changes
For the Year Ended June 30, 2001

	OPERATING	AUXILIARY FUNCTIONS	NON-FUNDED
Revenues:			
Tuition and fees	\$87,456,040		\$21,706,660
Federal appropriations	19,585,504		
State appropriations	610,000,687		
Federal grants and contracts			140,000,000
State grants and contracts			18,245,663
Local grants and contracts			2,721,690
Gifts			10,870,140
Private grants and contracts			85,345,144
Hospital income	700,510,268		208,240,500
State and counties of educational departments	10,687,040		109,770,500
State and counties of auxiliary departments		\$441,000,000	
Endowment income			6,080,500
Investment income	6,429,000		2,788,719
Other sources	10,871,000		10,500,000
Total revenues	<u>1,887,451,569</u>	<u>441,000,000</u>	<u>719,742,663</u>
Expenditures and transfers:			
Educational and general:			
Instruction	272,680,728		\$4,800,000
Research	81,780,805		160,188,770
PLANS grants	26,388,987		104,588,880
Academic support	68,878,208		58,778,814
Student services	16,071,808		7,840,000
Instructional support	64,887,783		28,800,000
Operations and maintenance of plant	85,189,871		18,800,870
Scholarships and fellowships	23,888,140		37,000,000
Total educational and general expenditures	<u>639,930,000</u>	<u>PLANS</u>	<u>689,900,000</u>
Mandatory transfers for:			
Planned and inflexible		6,807,500	6,870,700
Local matching	88,000		10,000
Other	807,877		(807,877)
Nonmandatory transfers for:			
Capital expenditures	1,883,100	6,088,000	2,190,700
Reserves and replacements		1,892,870	
Other	(1,000,000)	1,000,000	(176,889)
Auxiliary enterprise expenditures		108,671,674	
Hospital expenditures	188,071,180		730,498,477
Total expenditures and transfers	<u>1,407,771,361</u>	<u>117,960,074</u>	<u>111,480,600</u>
Other additions (deductions):			
Excess of revenues/credits over transfers to reserves:			41,833,071
Composited advances	(6,088,183)	870,000	608,810
Inventory increase (decrease)	(2,270,443)		(144)
Other		1,884,000	(28,121,040)
Net increase (decrease) in fund balances	<u>\$50,282,621</u>	<u>\$24,044,926</u>	<u>\$1,021,053</u>

The accompanying notes are an integral part of this statement.

**LOUISIANA STATE UNIVERSITY SYSTEM
STATE OF LOUISIANA**

Notes to the Financial Statements
As of and for the Year Ended June 30, 2001

INTRODUCTION

The Louisiana State University (LSU) System is a publicly supported institution of higher education. The university is a component unit of the State of Louisiana, within the executive branch of government. The university is under the management and supervision of the LSU Board of Supervisors; however, the annual budgets of the university and changes to the degree programs, departments of instruction, et cetera, require the approval of the Board of Regents for Higher Education. The board of supervision is comprised of 10 members appointed for a six-year term by the governor, with the consent of the Senate, and one student member appointed for a one-year term by a council composed of the student body presidents of the university. As a state university, operations of the university's instructional programs are funded through annual biennial appropriations made by the Louisiana Legislature. The chief executive officer of the university system is the president.

The university system is comprised of nine institutions on ten campuses in five cities and nine state hospitals. The system includes LSU and A&M College, Paul M. Hebert Law Center, and Pennington Biomedical Research Center, all in Baton Rouge; the LSU Agricultural Center (including the Louisiana Agricultural Experiment Station and the Louisiana Cooperative Extension Service) with facilities in Baton Rouge; the University of New Orleans, LSU in Shreveport; LSU at Alexandria and LSU at Eunice, both two-year institutions; and the LSU Health Sciences Center which includes schools of Medicine, Dentistry, Nursing, and Allied Health Professions, and a Graduate School in New Orleans, the Louisiana State University School of Medicine in New Orleans; Faculty Group Practice (a Louisiana non-profit corporation doing business as LSU Healthcare Network), the Health Care Services Division, and a School of Medicine and Hospital in Shreveport. Student enrollment for the university system for the 2000 fall semester totaled 58,710. During October 2000, the university system had approximately 5,000 full-time and part-time faculty members, including associates and affiliated faculty.

Louisiana Revised Statute 17:1018.1 provides for the operation of Louisiana's public hospitals by the LSU Health Sciences Center - Health Care Services Division, under the overall management of the LSU Board of Supervisors. The LSU Health Sciences Center - Health Care Services Division is comprised of nine hospitals throughout the state and a central administrative unit located in Baton Rouge. The state hospitals include E. A. Conway Medical Center in Monroe, Earl K. Long Medical Center in Baton Rouge, Huey P. Long Medical Center in Prairieville, University Medical Center in Lafayette, W. D. Moore Regional Medical Center in Lake Charles, Lafia Kemp Regional Medical Center in Independence, Washington-St. Tammany Regional Medical Center in Bogalusa, Leonard J. Chabert Medical Center in Houma, and Medical Center of Louisiana at New Orleans.

Operations of the LSU Board of Supervisors, LSU and A&M College, LSU Agricultural Center, Pennington Biomedical Research Center, Paul M. Hebert Law Center, LSU at Alexandria, and LSU at Eunice are referred to in portions of these notes as LSU and Related Campuses.

LOUISIANA STATE UNIVERSITY SYSTEM
STATE OF LOUISIANA
Notes to the Financial Statements (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. BASIS OF PRESENTATION

The Governmental Accounting Standards Board (GASB) considers both the American Institute of Certified Public Accountants (AICPA) College Guide model and the governmental model to be acceptable for accounting and financial reporting by governmental colleges and universities. The accompanying financial statements have been prepared in accordance with the AICPA College Guide model principles.

B. REPORTING ENTITY

GASB Codification Section 2100 has defined the governmental reporting entity to be the State of Louisiana. The university is considered a component unit of the State of Louisiana because the state exercises oversight responsibility and has accountability for fiscal matters as follows: (1) a majority of the members of the governing boards are appointed by the governor; (2) the state has control and exercises authority over budget matters; (3) state appropriations provide the largest percentage of total revenues; (4) the state issues bonds to finance certain construction; and (5) the university primarily serves state residents. The accompanying financial statements present information only as to the transactions of the programs of the Louisiana State University System, a component unit of the State of Louisiana.

The Louisiana State University School of Medicine in New Orleans Faculty Group Practice (a Louisiana non-profit corporation doing business as LSU Healthcare Network) is considered a component unit of the university system and is included in the financial statements. The component unit is included in the reporting entity because of the significance of its operational and financial relationships with the Louisiana State University System, LSU Health Sciences Center. Although the LSU Healthcare Network is legally separate, it is reported as a part of the university system because its purpose is to assist the LSU Health Sciences Center in carrying out its medical, educational, and research functions.

Annually, the State of Louisiana issues general purpose financial statements, which include the activity contained in the accompanying financial statements. The general purpose financial statements are audited by the Louisiana Legislative Auditor.

C. FUND ACCOUNTING

To observe the limitations and restrictions placed on the use of available resources, the accounts of the university are maintained in accordance with the principles of fund accounting. Such principles prescribe the manner in which resources for various purposes are classified, for accounting and reporting purposes, into funds that are in accordance with specified activities or objectives. Accounts are separately maintained for each fund; however, in the accompanying financial statements, funds having similar

characteristics have been combined into fund groups. Accordingly, all financial statements have been reported by fund groups. A brief description of each fund group follows:

Current Funds

Current funds are operating funds that will be expended in the near term. Such funds include the General Fund, Auxiliary Enterprises Fund, and Restricted Fund.

The General Fund is used for operating purposes on which there are no restrictions, except the budgetary control provisions included in the annual legislative appropriation act. Auxiliary enterprises retain unexpended balances to fund future expenditures of the auxiliary operations and revenues are externally restricted by bond covenants. Restricted current funds represent those operating funds on which restrictions have been imposed that limit the purposes for which such funds can be used and include gifts, grants, or contracts from governmental or private agencies.

Student Loan Funds

The student loan funds group accounts for resources available for loans to students.

Endowment Funds

The endowment fund group consists of endowment funds, term endowment funds, and quasi-endowment funds. Endowment funds are funds with respect to which donors or other outside agencies have stipulated, as a condition of the gift instrument, that the principal is to be maintained inviolate and in perpetuity and invested for the purpose of producing present and future income that may either be expended or added to principal. Term endowment funds differ from endowment funds in that all or a portion of the principal becomes expendable after a stated period of time or an occurrence of a specified event. Quasi-endowment funds are those funds that the governing board of the institution, other than a donor or other external agency, has determined to treat as endowment funds, to be retained and invested. Expendable income derived from investment of principal is accounted for in the restricted current fund; any nonexpendable interest is accounted for as income in the endowment fund.

Plant Funds

The plant funds group contains four self-balancing subgroups. Unexpended plant funds are used for the acquisition of long-lived assets for institutional purposes. Funds for renewals and replacements are set aside from current

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Notes to the Financial Statements (Continued)

operating revenues for the removal and replacement of auxiliary enterprise properties. Funds for retirement of indebtedness are to service plant indebtedness of the university. Investment in plant includes all long-lived assets of the university. Certain plant assets are provided directly by the state and are funded by general obligation bonds of the state. While the plant assets are included in the financial statements, the general obligation bonds are not since they are funded by the state treasurer.

Agency Funds

Agency funds are deposits in which the university acts as custodian or fiscal agent on behalf of others, such as student or faculty organizations and workshops.

D. BASIS OF ACCOUNTING

The financial statements of the university have been prepared on the accrual basis of accounting, except that (1) depreciation is not recognized; (2) summer school tuition and fees and faculty salaries and related benefits for June are not provided, but are deferred to the succeeding year; and (3) the inventories of the General Fund are recorded as expenditures at the time of purchase.

The statement of current funds revenues, expenditures, and other changes is a statement of financial activities of current funds relating to the current reporting period. It does not purport to present the results of operations (net income or loss) for the period as would a statement of revenues and expenses.

To the extent that current funds are used to finance plant assets, the amounts so provided are accounted for as expenditures in the case of normal acquisitions, repairs, and renovations; mandatory transfers in the case of required provisions for debt amortization and interest; and as transfers of a nonmandatory nature for all other cases.

E. BUDGET PRACTICES

The appropriations made for the General Fund of the Louisiana State University System are annual lapse appropriations established by legislative action and by Title 39 of the Louisiana Revised Statutes. The statute requires that the budget be approved by the Board of Regents for Higher Education and certain legislative and executive agencies of state government. Budget revisions are granted by the Joint Legislative Committee on the Budget. In compliance with these legal restrictions, budgets are adopted on the accrual basis of accounting, except that (1) depreciation is not recognized; (2) leave costs are treated as budgeted expenditures to the extent that they are expected to be paid; (3) summer school tuition and fees and summer school faculty salaries and related benefits for June are not provided, but are recognized in the succeeding year; and (4) inventories in the General Fund are recorded as expenditures at the time of purchase.

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 Notes to the Financial Statements (Continued)

The original approved budgets and subsequent amendments approved are as follows:

	LSU Board of Superintendents	LSU and A & M College	LSU Health Sciences Center	University of New Orleans
Original approved budget	\$1,578,488	\$260,204,237	\$1,184,204,707	\$80,783,738
Revisions:				
State General Fund		2,718,881	4,438,037	784,201
Self-generated		7,888,088	18,238,784	3,888,008
Statutory dedications		1,881,803		
Interagency transfers		181,948	5,438,620	
Decreases - federal			(8,208,854)	
Final budget	\$1,578,488	\$271,203,711	\$1,196,868,845	\$84,673,939

The other funds of the university, although subject to internal budgeting, are not required to submit budgets for approval through the legislative budget process.

**F. CASH AND CASH EQUIVALENTS
AND INVESTMENTS**

Cash includes cash on hand, demand deposits, and interest-bearing demand deposits. Cash equivalents include amounts in time deposits and money market funds. Under state law, the Louisiana State University System may deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state in the Union, or the laws of the United States. Furthermore, the university may invest in certificates of deposit of state banks organized under Louisiana law and national banks having their principal offices in Louisiana. In accordance with Louisiana Revised Statute (R.S.) 48:327(C), the university is authorized to invest funds in direct United States Treasury obligations and, in addition, funds derived from gifts and grants, endowments, and reserve funds established in accordance with bond issues may be invested as stipulated by the conditions of the gift instrument or bond indenture. The majority of these investments are United States Treasury securities, mutual funds, and investments held by private foundations and are reported at fair value on the balance sheet.

G. INVENTORIES

Inventories are valued at cost or replacement cost, except for livestock at the LSU and A&M College and the LSU Agricultural Center and the inventory of the Dental School of the LSU Health Sciences Center - New Orleans. These inventories are valued at current market prices. The university uses periodic and perpetual inventory systems and values its various other inventories using the first-in, first-out and weighted-average valuation methods. Inventories in the General and Restricted funds are recorded as expenditures at the time of purchase. Year-end balances are offset by a fund balance

LSU Agricultural Center	LSU in Shreveport	Pamplin Biomedical Research Center	Paul M. Hobart Law Center	LSU at Alexandria	LSU at Cajalou	Total
\$78,094,338	\$18,645,739	\$6,188,301	\$1,832,835	\$7,508,958	\$7,476,831	\$1,074,901,797
508,307	134,831 765,800	87,018	415,815	85,440 408,000	148,275 981,088	8,882,985 22,255,852 1,501,845 1,175,430 <u>(5,705,824)</u>
<u>\$78,602,645</u>	<u>\$19,055,870</u>	<u>\$6,275,319</u>	<u>\$2,248,650</u>	<u>\$8,448,398</u>	<u>\$8,527,963</u>	<u>\$1,700,445,324</u>

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Notes to the Financial Statements (Continued)

seems that indicates this portion of the fund balance does not constitute available expendable resources. The inventories of the auxiliary enterprise funds are expended when sold or used.

H. DEFERRED REVENUES

Tuition and fees collected at June 30, 2001, but applicable to the 2001 summer session, are reported as deferred revenues. Expenses relating to this session are reported in the period the tuition and fees are recognized as revenues.

I. ENCUMBRANCES

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded to reserve fund balances, is employed by the university during the year. Encumbrances outstanding at year-end in all funds, except for the General Fund and certain encumbrances of the Restricted Fund referred to in note 14, are reported as reservations of fund balance since they do not constitute expenditures or liabilities in the year encumbered. Encumbrances of the General Fund are not included in the financial statements because the university does not have the ability to finance the liquidation of encumbrances after June 30, 2001, as provided by R.S. 39:82.

J. PLANT ASSETS

Physical plant and equipment are stated at cost at the date of acquisition, estimated cost if actual cost is not known, fair market value at date of donation in the case of gifts, or market value for livestock. Public domain or infrastructures are capitalized. Construction in progress is capitalized during construction. No depreciation has been provided on plant assets.

K. COMPENSATED ABSENCES

Employees accrue and accumulate annual and sick leave in accordance with state law and administrative regulations. Faculty with 12-month appointments who have over 10 years of state service, non-classified employees with over 10 years of state service, and classified employees regardless of years of state service accumulate leave without limitation. According to the university leave schedule, faculty with 12-month appointments who have less than 10 years of state service and non-classified employees with less than 10 years of state service can only accumulate 176 hours of annual leave; sick leave is accumulated without limitation. Effective January 1, 1994, academic and unclassified employees were given the opportunity to elect to remain under the university leave schedule or change to the Louisiana State Civil Service annual leave accrual schedule under which there is no limit on the accumulation of annual leave. Nine-month faculty members accrue sick leave but do not accrue annual leave; however, they are granted faculty leave during holiday periods when students are

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not in classes. Upon separation of employment, both classified and non-classified personnel or their heirs are compensated for accumulated annual leave not to exceed 300 hours. In addition, academic and unclassified personnel or their heirs are compensated for accumulated sick leave not to exceed 20 days upon retirement or death. Unused annual leave in excess of 300 hours plus unused sick leave are used to compute retirement benefits.

L. TOTAL COLUMNS ON STATEMENTS

Total columns on the statements are captioned Memorandum Only (overview) to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position or results of operations. Neither are such data comparable to a consolidation.

2. CASH AND CASH EQUIVALENTS

At June 30, 2001, the university has cash and cash equivalents (book balances) of \$207,482,210 as follows:

	Cash on Hand	Cash - Demand Deposits	Interest Bearing Demand Deposits	Cash Equivalents - Time Deposits	Cash Equivalents - Money Market Fund	Cash in Bank Treasury	Total
LSU and Related							
Cameron	\$1,289,880	\$3,255,450	\$410,280	\$76,443,440	\$4,480		\$81,399,450
LSU North/Joseph							
Cane	178,824	\$2,850,700	\$1,710,824	1,007,940	1,541,640	\$3,765,214	104,054,638
University of							
New Orleans	109,800	1,200,490		869,000	14,800,200		16,979,490
LSU in Mississippi	\$872,250			1,599,800			4,072,000
Total	\$1,558,954	\$8,306,640	\$2,121,104	\$81,853,180	\$16,821,840	\$3,765,214	\$207,482,210

These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities (plus the federal deposit insurance) must at all times equal the amount on deposit with the fiscal agent. At June 30, 2001, the university has \$208,486,410 in deposits (collected bank balances), including amounts held within the state treasury. These deposits are secured from risk by \$1,840,778 of federal deposit insurance (GASB Category 1), \$148,491,260 collateralized with securities held by the university or by its agent in the university's name (GASB Category 1), \$56,679,735 collateralized with securities held by the pledging financial institution's trust department or agent in the university's name (GASB Category 2), and \$208,418 of pledged securities held by the custodial bank in the name of the fiscal agent bank (GASB Category 3), and \$1,168,221 not collateralized (GASB Category 3).

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Included in cash and cash equivalents is cash available to the university within the state treasury totaling \$22,765,214. Securities pledged for cash in the state treasury are not included in the above computations as these amounts are secured by fiscal agent banks established by the state treasury independent of the university.

3. INVESTMENTS

At June 30, 2001, the university has investments totaling \$205,588,231 as follows:

	LSU and Related Campuses	LSU/Health Business Center	University of New Orleans	LSU in Newport	Total
United States government securities	\$2,889,144	\$4,320,875	\$425,880		\$7,635,900
Repurchase agreements	5,545,840	4,504,154			10,050,000
Mutual funds	\$0,527,280				\$0,527,280
Stocks	5,506,740	229,071	17,207		5,753,018
Commercial paper	1,508,855				1,508,855
Real estate		2,718,881			2,718,881
Investments held by private foundations					
in external investment pools	\$1,487,714	11,243,554	10,759,145	\$415,433	\$4,905,850
Faculty-Senior Pension		219,000			219,000
Other	\$5,758				\$5,758
Total investments	\$12,972,581	\$20,026,875	\$11,202,232	\$615,433	\$205,588,231

Investments for the LSU and Related campuses include the securities of the LSU and A&M College, Pennington Biomedical Research Center, LSU at Alexandria, LSU at Eunice, the Paul M. Hebert Law Center, and the LSU Agricultural Center. The investments are reported at fair value as required by GASB Statement 31. Investments held by private foundations in external investment pools are managed in accordance with the terms outlined in management agreements executed between the university and the foundations. Each university is a voluntary participant.

The credit risk of GASB Codification Section 80-129-126 was applied to the university's investments. Stocks of \$5,851,617 and investments either held by the university or by its agent in the university's name (GASB Category 1), United States government securities of \$27,927,242 and commercial paper of \$1,508,855 are unsecured and unregistered, with the securities held by the counterparty's trust department or agent in the university's name (GASB Category 2). Repurchase agreements of \$13,880,804 and United States government securities of \$17,589,229 are unsecured and unregistered, with securities held by the counterparty, or by its trust department or agent but not in the university's name (GASB Category 3). Mutual funds of \$80,527,280, real estate investments of \$2,718,881, investments held by private foundations in external investment pools totaling \$4,904,253, United States government securities of \$245,204, and other investments totaling \$360,758 were not categorized.

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 Notes to the Financial Statements (Continued)

4. ACCOUNTS RECEIVABLE

Accounts receivable are shown on Statement A net of an allowance for doubtful accounts as follows:

Fund	Accounts Receivable	Allowance for Doubtful Accounts	
			Net Statement A
General	\$1,269,295,158	\$1,227,259,710	\$42,035,448
Auxiliary Enterprises	9,179,280	88,981	9,090,300
Restricted	166,381,241	46,217,696	120,163,545
Unexpended Plant	245,436		245,436
Reimburs and Replacements	991		991
Agency	15,801		15,801
Total	<u>\$1,577,696,276</u>	<u>\$1,373,856,216</u>	<u>\$203,840,060</u>

The allowance represents a provision in current funds from patients served at various hospitals, medical center clinics, and outside billings.

5. DUE FROM/TO OTHER FUNDS

The following is a summary of amounts due from/to other funds as of June 30, 2001:

	Due From Other Funds	Due To Other Funds
Current Funds:		
General	\$16,327	\$28,981,348
Auxiliary Enterprises	2,458,824	850
Restricted	41,641,264	1,381,348
Student Loan Funds		68
Endowment Funds		1,780,156
Plant Funds:		
Unexpended		471,660
Reimburs and Replacements		1,274
Retirement of Indebtedness		<u>1,124,210</u>
Total	<u>\$44,317,445</u>	<u>\$29,317,446</u>

8. PENSION PLANS

Plan Description. Substantially all employees of the university are members of two statewide, public employee retirement systems. Academic employees are generally members of the Teachers Retirement System of Louisiana (TRS/LA), and classified/unclassified state employees are members of the Louisiana State Employees Retirement System (LASERS). Both plans are cost-sharing, multi-employer defined benefit pension plans administered by separate boards of trustees. TRS/LA and LASERS provide retirement, disability, and survivors' benefits to plan members and beneficiaries. Benefits granted by the retirement systems are guaranteed by the State of Louisiana by provisions of the Louisiana Constitution of 1974. Generally, all full-time employees are eligible to participate in the systems, with employee benefits vesting after 10 years of service. Article 15, Section 29 of the Louisiana Constitution of 1974 assigns the authority to establish and amend benefit provisions to the state legislature. The systems issue annual publicly available financial reports that include financial statements and required supplementary information for the systems. The reports may be obtained by writing to the Teachers Retirement System of Louisiana, Post Office Box 84123, Baton Rouge, Louisiana 70804-8123, or by calling (225) 927-0448, and/or the Louisiana State Employees Retirement System, Post Office Box 44211, Baton Rouge, Louisiana 70804-4211, or by calling (225) 622-0600.

Funding Policy. The contribution requirements of employee plan members and the university are established and may be amended by the state legislature. The legislature annually sets the required employer contribution rate equal to the actuarially required employer contribution as set forth in R.S. 11:102. Employees contribute 8% (TRS/LA) and 7.5% (LASERS) of covered salaries. The state is required to contribute 14.2% of covered salaries to TRS/LA and 13% of covered salaries to LASERS. The university's employer contribution is funded by the State of Louisiana through the annual appropriation to the university. The university's employer contributions to TRS/LA for the years ended June 30, 2001, 2000, and 1999, were \$21,529,238, \$23,257,621, and \$24,872,938, respectively, and to LASERS for the years ended June 30, 2001, 2000, and 1999, were \$87,169,640, \$94,420,520, and \$81,486,970, respectively, equal to the required contributions for each year.

Optional Retirement System

R.S. 11:501 created an optional retirement plan for academic and administrative employees of public institutions of higher education. This program was designed to aid universities in recruiting employees who may not be expected to remain in TRS/LA for 10 or more years. The purpose of the optional retirement plan is to provide retirement and death benefits to the participants while affording the maximum portability of these benefits to the participants.

The optional retirement plan is a defined contribution plan that provides for full and immediate vesting of all contributions remitted to the participating companies on behalf of the participants. Eligible employees make an irrevocable election to participate in the

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optional retirement plan rather than the TRSOLA and purchase retirement and death benefits through contracts provided by designated companies.

Total contributions by the university are 14.2% of the covered payroll. The participant's contribution (8%), less any monthly fee required to cover the cost of administration and maintenance of the optional retirement plan, is remitted to the designated company or companies. Upon receipt of the employer's contribution, the TRSOLA pays over to the appropriate company or companies, on behalf of the participant, an amount equal to the employer's portion of the normal cost contribution as determined annually by the actuarial committees. The TRSOLA retains the balance of the employer contribution for application to the unfunded accrued liability of the system. Benefits payable to participants are not the obligations of the State of Louisiana or the TRSOLA. Such benefits and other rights of the optional retirement plan are the liability and responsibility solely of the designated company or companies to whom contributions have been made. Employer and employee contributions to the optional retirement plan totaled \$34,664,664 and \$10,418,489, respectively, for the year ended June 30, 2001.

**7. POSTRETIREMENT HEALTH CARE
AND LIFE INSURANCE BENEFITS**

The university provides certain continuing health care and life insurance benefits for its retired employees. Substantially all of the university's employees become eligible for these benefits if they reach normal retirement age while working for the university. These benefits for retirees and similar benefits for active employees are provided through a state-operated group insurance program and various insurance companies whose monthly premiums are paid jointly by the employee and the university. The university recognizes the cost of providing these benefits to retirees (university's portion of premiums) as an expenditure when paid during the year. These retiree benefits totaled \$16,875,634 for the year ended June 30, 2001.

**8. CONTINGENT LIABILITIES
AND RISK MANAGEMENT**

At June 30, 2001, the university is contingently liable for \$323,536 as guarantor of mortgage loans on security and fraternity houses built on university property. This amount has not been accrued in the accompanying financial statements. In addition, the university is involved in numerous lawsuits at June 30, 2001. In the opinion of legal counsel for the university, the ultimate outcome of these lawsuits cannot be determined; however, any losses, with few exceptions, would be fully covered by insurance. Losses arising from judgments, claims, and similar contingencies are paid by either private insurance companies or through the state's self-insurance fund operated by the Office of Risk Management, the agency responsible for the state's risk management program, or by General Fund appropriation. The university is involved in 672 lawsuits at June 30, 2001, of which 41 lawsuits are handled by contract attorneys. The remainder of the lawsuits are handled by the Office of Risk Management. Of the 41 lawsuits being handled by contract attorneys, the attorneys have estimated a possible liability of \$1,456,500 relating to 12 of the lawsuits. This amount has not been accrued in the

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 Notes to the Financial Statements (Continued)

accompanying financial statements. The certified attorneys did not estimate a liability for these lawsuits in which the plaintiffs are seeking damages of \$3,584,800.

9. COMPENSATED ABSENCES

At June 30, 2001, employees of the university have accumulated and related annual, sick, and compensatory leave benefits of \$74,627,601, \$26,538,675, and \$5,598,502, respectively, which were recognized in accordance with GASB Codification Section 050. The leave payable is recorded in the accompanying financial statements. At June 30, 2001, the university estimates that 326,238.97% of the accrued compensated absence liability will be paid from State of Louisiana General Fund appropriations to the university in years subsequent to June 30, 2001, rather than from Current Funds of the LSU System.

10. LEASE OBLIGATIONS

Operating Leases

For the year ended June 30, 2001, the total rental expenditures for all operating leases, except those with terms of a month or less that were not renewed, is \$7,162,130. The following is a schedule by years of future minimum annual rental payments required under operating leases that have initial or noncancelable lease terms in excess of one year as of June 30, 2001:

Period of Operating Lease	2002	2003	2004	2005	2006	Thereafter	Total Minimum Payments Required
Office space	\$1,009,461	\$1,094,726	\$1,000,077	\$1,009,847	\$1,076,000	\$17,776,000	\$24,065,111
Equipment	64,832	104,764	64,804	105,877	64,860		344,137
Other	1,708,285	1,895,086	1,887,056	1,822,000	17,730	117,947	8,243,201
Total	\$3,482,578	\$3,094,576	\$2,951,937	\$3,037,724	\$3,216,960	\$17,993,947	\$42,652,326

Capital Leases

The university records items under capital leases as assets and obligations in the accompanying financial statements. The following is a schedule of future minimum lease payments under capital leases, together with the present value of minimum lease payments at June 30, 2001:

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Fiscal Year Ending June 30:	
2002	\$8,900,091
2003	4,811,380
2004	2,850,781
2005	1,452,831
2006	1,260,730
Thereafter	14,212,585
Total minimum lease payments	<u>\$31,878,391</u>
Less - amount representing interest	<u>(8,838,489)</u>
Present value of net minimum lease payments	<u>\$23,039,902</u>

11. LESSOR LEASES

The university's leasing operations consist primarily of the leasing of property for the purpose of providing food services to students; bookstore operations; land for fraternity and sorority houses and parking spaces to foundations; office space for postal services, banking services, and university affiliated organizations; space on rooftops for communication towers; and mineral leases.

The following schedule provides an analysis of the university's investment in property on operating leases and property held for lease by major classes as of June 30, 2001:

Office space	\$12,501,479
Other	<u>5,434,848</u>
Total	<u>\$17,936,318</u>

The following is a schedule by years of minimum future rentals on noncancelable operating leases as of June 30, 2001:

Nature of Operating Lease	2002	2003	2004	2005	2006	Thereafter	Total Minimum Future Rentals
Office space	\$1,884,251	\$1,005,989	\$1,580,790	\$1,443,930	\$160,088	\$112,867	\$6,778,205
Other	158,685	188,068	160,815	127,811	226,111	2,338,820	2,896,297
Total	<u>\$2,042,936</u>	<u>\$1,194,057</u>	<u>\$1,741,605</u>	<u>\$1,571,741</u>	<u>\$386,200</u>	<u>\$3,471,707</u>	<u>\$9,674,502</u>

Minimum future rentals do not include contingent rentals which may be received as stipulated in the lease contracts. These contingent rental payments occur as a result of sales volume,

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customer usage of services provided, or as a result of the drilling operations on mineral leases. Contingent rentals amounted to \$711,081 for the year ended June 30, 2001.

13. LONG-TERM DEBT

Notes Payable

The university has entered into a number of installment purchase agreements for the purchase of computer equipment, copiers, vehicles, et cetera. These agreements require scheduled payments either on a monthly, semiannual, or annual basis and have interest rates ranging from zero to 12%. The following is a summary of installment notes payable by the university for the year ended June 30, 2001:

Balance at July 1, 2000	\$4,577,804
Installment purchases in 2001	18,110,037
Installment payments in 2001	<u>(4,407,688)</u>
Installment notes payable at June 30, 2001	<u>\$18,280,153</u>

The following is a summary of future minimum installment payments as of June 30, 2001:

2002	\$8,484,776
2003	8,111,818
2004	614,856
2005	249,700
2006	185,446
Thereafter	<u>81,276</u>
Total minimum installment payments	<u>11,738,866</u>
Less - amount representing interest	<u>(1,458,823)</u>
Total	<u>\$10,280,043</u>

The majority of the installment purchase agreements have non-appropriation expiratory clauses that allow for lease cancellation if the Louisiana Legislature does not make an appropriation for its continuation during any future fiscal period.

In addition to the installment purchase agreements, the university has entered into loan agreements with the Louisiana Public Facilities Authority (LPFA) on October 31, 1988. The LPFA loan agreement totaling \$28,500,000 is for financing, refinancing, or reimbursing the cost of facilities, improvements and expansions of the LSU Athletic Department; construction of the Student Recreation Sports Center for Louisiana State University and A&M College; improvements for parking and safety of Louisiana State

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Notes to the Financial Statements (Continued)

University and A&M College, improvements to residential life facilities (\$26,200,800); additions to the parking garage at the LSU Health Sciences Center in New Orleans (\$1,600,000); and building a child care center at the University of New Orleans (\$1,300,000). The loan repayments are payable from the fees, rates, rentals, charges, grants, or other receipts or income derived by or in connection with the facilities, equipment, and improvements. According to terms of the loan agreement, the university is to repay principal and interest on the obligation on the 20th day of each month for 20 years commencing August 28, 1991. The university made principal payments during the year totaling \$1,448,336. At June 30, 2001, the outstanding balance is \$10,446,240.

During the year ended June 30, 2000, the LSU and A&M College entered into an agreement with the Louisiana Equipment Acquisition Fund (LEAF) program for the installation of fiber optical cable with a total projected cost of \$2,968,804. At June 30, 2001, the outstanding balance is \$3,090,907. A repayment schedule will not be issued until the project is complete. Therefore, no payments were made during the fiscal year.

Notes payable totaling \$32,754,956 are reflected on Statement A.

Bonds and Contracts Payable

As presented on Statement A, at June 30, 2001, contracts payable total \$1,832,273 and bonds payable total \$129,879,000.

The following is a summary of bonds and reimbursement contracts payable by the university for the year ended June 30, 2001:

	<u>LSU and A&M College</u>	<u>LSU Health Sciences Center</u>	<u>University of New Orleans</u>
Bonds and contracts payable at July 1, 2000	\$66,160,301	\$15,718,080	\$34,878,000
Bonds and contracts retired	<u>(2,384,233)</u>	<u>(200,000)</u>	<u>(458,000)</u>
Bonds and contracts payable at June 30, 2001	<u>\$63,803,468</u>	<u>\$15,718,080</u>	<u>\$34,419,000</u>

Detailed summaries, by issues, of all bond and reimbursement contract debt outstanding at June 30, 2001, including outstanding interest payments of \$66,727,707 for LSU and A&M College; \$18,482,843 for the LSU Health Sciences Center; \$23,127,521 for the University of New Orleans; \$8,446 for LSU in Shreveport; \$32,545 for LSU at Alexandria; and \$753,076 for LSU at Eunice follow:

<u>LSU in Enterprise</u>	<u>LSU at AlaskaGas</u>	<u>LSU at Enbridge</u>	<u>Total</u>
\$187,143 <u>(82,857)</u>	\$268,714 <u>(91,285)</u>	\$1,345,418 <u>(55,437)</u>	\$138,580,476 <u>(4,588,282)</u>
<u>\$104,286</u>	<u>\$177,429</u>	<u>\$1,289,981</u>	<u>\$133,992,194</u>

LOUISIANA STATE UNIVERSITY SYSTEM
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 Notes to the Financial Statements (Continued)

Bonds Payable

Issue	Date of Issue	Original Issue	Outstanding July 1, 2000
LSU and ASM College			
Student Housing System Bonds:			
Series 1991	July 1, 1991	\$2,758,000	\$73,000
1993 - Series A	July 1, 1993	1,100,000	83,000
1994:			
Series A	July 1, 1994	800,000	153,000
Series B	July 1, 1994	3,700,000	685,000
Building Bonds of 1995 -			
Series B	July 1, 1995	1,345,000	276,000
Student Housing System Bonds:			
1996:			
Series B	July 1, 1996	3,175,000	525,000
Series C	July 1, 1996	1,250,000	280,000
1998 - Series B	July 1, 1998	1,278,000	285,000
1998 - Series A	July 1, 1998	1,241,000	88,000
Auxiliary Revenue Bonds 1998	June 10, 1998	20,200,000	21,000,000
1998 Revenue Bonds	December 1, 1998	25,400,000	52,000,000
1997 Auxiliary Revenue Bonds	December 1, 1997	6,800,000	8,276,000
2000 Auxiliary Revenue Bonds	June 28, 2000	27,000,000	27,000,000
LSU Health Sciences Center			
New Orleans - Building Revenue Bonds:			
Series 2000	February 3, 2000	15,910,000	15,910,000
University of New Orleans			
Jefferson Center, 1996-A			
	August 1, 1996	4,480,000	3,245,000
Revenue Bonds of 1997 - Series A	January 10, 1997	5,800,000	3,710,000
Revenue Bonds of 1998	August 15, 1998	15,910,000	15,910,000
LSU at Eunice			
1998 Auxiliary Revenue Bonds	June 1, 1998	1,545,000	1,545,457
Total Bonds Payable		<u>\$193,211,000</u>	<u>\$120,820,457</u>

<u>Retained</u>	<u>Outstanding June 30, 2007</u>	<u>Maturity</u>	<u>Interest Rates</u>	<u>Interest Outstanding June 30, 2007</u>
\$71,000				
53,000				
38,000	\$115,000	2007-2004	3.00%	38,084
150,000	500,000	2007-2004	3.00%	50,041
60,000	218,000	2007-2008	3%	15,380
80,000	440,000	2007-2008	3%	40,380
40,000	270,000	2007-2008	3%	17,200
45,000	250,000	2007-2008	3%	20,700
80,000				
1,070,000	20,040,000	2007-2014	0% - 5.75%	6,872,020
580,000	22,200,000	2007-2020	4.0% - 5.0%	20,150,201
235,000	6,040,000	2007-2017	4% - 5%	2,840,590
290,000	20,090,000	2007-2008	Variable	20,328,000
280,000	15,770,000	2000-2007	4.4% - 6.25%	10,402,843
345,000	2,080,000	2007-2008	4.4% - 5.0%	2,813,080
170,000	5,080,000	2007-2008	4.25% - 5.00%	4,808,140
	15,075,000	2000-2000	3.5% - 5%	11,707,707
80,437	1,480,000	2007-2008	0%	200,218
<u>\$3,402,407</u>	<u>\$128,020,000</u>			<u>\$11,829,452</u>

LOUISIANA STATE UNIVERSITY SYSTEM
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 Notes to the Financial Statements (Continued)

Reimbursement Contracts Payable

Issue	Date of Issue	Original Issue	Outstanding July 1, 2001
LSU and Related Campuses			
Tiger Stadium Addition Bonds, Series 1978-B	February 1, 1978	\$3,580,808	\$272,358
LSU/Union Addition Bonds, Series 1984-B	July 27, 1984	2,780,808	1,348,137
Student Recreation Sports Center Bonds, Series 1984-A	April 1, 1984	750,808	228,627
LSU/Union Addition Bonds, Series 1985-A	March 9, 1985	380,808	82,098
Building Bonds, Series 1977-D - Alexandria	October 1, 1977	180,808	19,714
Student Union Addition Bonds, Series 1979-D - Alexandria	June 15, 1979	1,470,808	370,080
LSU in Shreveport			
Building Bonds, Series 1977-C	October 1, 1977	1,080,808	187,142
Total Reimbursement Contracts Payable		\$8,780,808	\$2,448,087

The annual requirements to amortize all bonds and reimbursement contracts outstanding at June 30, 2001, including interest of \$112,100,000, are as follows:

Fiscal Year	LSU and Related Campuses	LSU Health Sciences Center	University of New Orleans	LSU in Shreveport	Total
2001	\$8,126,261	\$1,318,094	\$1,071,833	\$95,833	\$10,612,021
2002	8,167,198	1,172,736	1,071,837	30,888	11,042,659
2003	8,169,742	1,172,254	1,071,838		10,413,834
2004	8,169,488	1,172,254	1,071,838		10,413,580
2005	7,823,885	1,172,714	1,083,878		10,080,477
Subsequent years	121,881,887	29,288,041	28,262,038		179,431,966
Total	\$185,488,161	\$29,773,841	\$48,602,621	\$126,721	\$264,031,344

<u>Redeemed</u>	<u>Outstanding June 30, 2001</u>	<u>Maturity</u>	<u>Interest Rates</u>	<u>Interest Outstanding June 30, 2001</u>
\$232,958				
285,000	\$1,140,070	2001-2004	4.87% - 6.81%	\$145,488
87,198	282,421	2001-2004	6.8%	30,008
25,098	87,000	2001-2003	8.125% - 8.5%	7,088
8,288	13,428	2001-2003	4.75%	848
85,000	288,000	2001-2004	6.8%	31,800
<u>62,858</u>	<u>124,288</u>	<u>2001-2003</u>	<u>4.75%</u>	<u>8,488</u>
<u>\$715,644</u>	<u>\$1,832,215</u>			<u>\$281,083</u>

LOUISIANA STATE UNIVERSITY SYSTEM
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Notes to the Financial Statements (Continued)

The following is a summary of the debt service reserve requirements of the various bond issues at June 30, 2001:

Bond Issue	Investment Reserve Available	Reserve Requirement	Excess
Auxiliary Plant:			
LSU and A&M College	\$5,041,750	\$5,000,000	\$41,750
University of New Orleans	567,870	628,581	(60,711)
LSU in Shreveport	60,683	60,683	
LSU at Alexandria	320,488	320,488	
LSU at Baton Rouge	282	282	
	<u>\$5,990,973</u>	<u>\$6,370,034</u>	<u>\$620,939</u>
Total	<u>\$10,028,880</u>	<u>\$10,000,074</u>	<u>\$28,806</u>
Educational Plant - University of New Orleans	<u>\$100,000</u>	<u>\$100,000</u>	<u>\$0.000</u>

As permitted by the Bond Resolution for the Revenue and Refunding Bonds, (Wellness Center Project) Series 1995, the university obtained a surety bond issued by an insurance company as a substitute for the reserve requirement for the bonds. The surety bond meets the definition as a "Reserve Fund Investment" and guarantees payment of an amount not to exceed \$1,041,200 to fund the Reserve Requirement.

As permitted by the Bond Resolution for the Revenue Bonds, Series 2000, the LSU Health Sciences Center obtained a surety bond issued by an insurance company as a substitute for the reserve requirement for the bonds. The surety bond meets the definition as a "Reserve Fund Investment" and guarantees payment of an amount not to exceed \$1,576,641 to fund the Reserve Requirement.

13. DUE TO STATE TREASURY

As shown on Statement A, the General Fund has a total of \$99,028,880 due to the state treasury at June 30, 2001. This amount consists of \$68,608,573 of seed advances, \$13,625 of petty cash advances, and \$26,488 refund of prior year expenditures.

14. RESERVATIONS OF FUND BALANCES

Reservations of fund balances at June 30, 2001, as shown on Statement A, are summarized as follows:

LOUISIANA STATE UNIVERSITY SYSTEM
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 Notes to the Financial Statements (Continued)

	Reserved for		Bond Indebtedness	Total
	Contingencies	Investments		
Current Funds:				
General		\$31,888,504		\$31,888,504
Auxiliary Categories	\$3,588,134			3,588,134
Restricted	15,281,181	24,688		15,305,869
Plant Funds:				
Unexpended	4,312,658			4,312,658
Renovate and Replacements	1,298,548			1,298,548
Payment of Indebtedness			\$40,295,473	\$40,295,473
Total	\$24,221,523	\$31,888,504	\$40,295,473	\$96,405,500

Additional encumbrances of LSU and A&M College, LSU Agricultural Center, Pennington Biomedical Research Center, LSU at Alexandria, and LSU at Eunice totaling \$18,253,075 were outstanding at year-end for restricted state and federal grants and contracts. Under these agreements, the grantor provides reimbursement after expenditures occur and the related encumbrances are liquidated. A reservation of fund balances has not been established for such encumbrances.

**15. PRIOR YEAR RESTATEMENT
 OF INVESTMENT IN PLANT
 FUND BALANCE**

As shown on Statement B, investment in plant fund balance at the beginning of the year has been restated for prior period adjustments made during the year by the university system. The adjustments made to fund balance at the beginning of the year are summarized as follows:

Fund Balance at June 30, 2000, as previously reported	\$2,130,490,950
Adjustment for movable property items with an acquisition cost of less than \$1,000	<u>(72,055,950)</u>
Fund Balance at June 30, 2000, as restated	<u>\$2,058,435,000</u>

16. STUDENT LOAN FUNDS

The fund balances of the student loan funds at June 30, 2001, are as follows:

LOUISIANA STATE UNIVERSITY SYSTEM
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Notes to the Financial Statements (Continued)

	Parish Lean Fund	Health Professors	Miscellaneous Other Loans	Total
LSU and ABAM College	\$14,765,255	\$52,175	\$275,875	\$15,093,415
LSU Health Sciences Center	4,420,051	5,481,293	735,942	10,637,286
University of New Orleans	5,262,884		45,000	5,307,884
LSU at Alexandria			5,248	5,248
LSU at Eunice	625,834		5,585	631,419
Total	\$25,074,024	\$57,854,191	\$1,072,710	\$84,799,005

17. PLANT FUNDS

In August 1987, the Financial Accounting Standards Board (FASB) issued Statement No. 93, *Recognition of Depreciation by Not-for-Profit Organizations*, which requires not-for-profit organizations, including colleges and universities, to recognize depreciation of their long-lived tangible assets in their financial statements. In January 1988, the GASB issued Statement No. 8, which addresses the implementation of FASB Statement No. 93. Codification of Governmental Accounting and Financial Reporting Standards Section CoS.103 states that, "Colleges and universities that follow the AICPA Guide should not change their accounting and reporting for depreciation of capital assets as a result of FASB Statement No. 93, *Recognition of Depreciation by Not-for-Profit Organizations*; the GASB has several projects under way that may affect that reporting." As reflected in note 1-D, the university does not currently recognize depreciation.

Physical plant facilities acquired before June 30, 1988, were valued based on estimated building costs. Subsequent additions to physical plant and equipment are stated at cost at the date of acquisition, estimated cost if actual cost is not known, fair market value at the date of donation in the case of gifts, or market value for livestock. Estimated costs of physical plant facilities constitute an immaterial portion of total value of plant facilities. A summary of investment in plant, including assets acquired under capital leases, follows:

	LSU and ABAM University of New Orleans	LSU Health Sciences Center	LSU University of New Orleans	LSU Agriculture Center
Land and Improvements	\$26,109,357	\$46,827,887	\$56,099,883	\$5,541,254
Buildings	\$1,354,295	455,154,855	527,688,174	653,683,952
Equipment	264,677	225,245,264	388,209,859	45,478,888
Library books		88,325,265	25,488,281	28,588,232
Total	\$27,728,329	\$775,557,271	\$978,486,117	\$10,658,426

<u>LEB in</u>	<u>Fortnight</u>	<u>Post B.</u>	<u>LEB at</u>	<u>LEB at</u>	<u>Total</u>
<u>Receipts</u>	<u>Financial</u>	<u>Market</u>	<u>Accounts</u>	<u>Bank</u>	
	<u>Policy</u>	<u>Law Centre</u>			
\$4,185,888	\$3,058,438		\$7,288,887	\$277,688	\$441,835,000
48,771,848	48,231,272	\$7,888,820	15,808,888	18,888,820	1,280,888,124
18,838,500	18,342,171	1,888,827	4,888,878	3,334,841	126,732,131
3,888,878		4,734,115	3,488,733	1,241,848	128,888,900
<u>\$31,742,718</u>	<u>\$69,632,881</u>	<u>\$14,723,762</u>	<u>\$26,888,888</u>	<u>\$24,473,733</u>	<u>\$5,888,124,827</u>

**LOUISIANA STATE UNIVERSITY SYSTEM
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Notes to the Financial Statements (Continued)

As reflected in note 15, the plant fund balance at June 30, 2000, was adjusted for movable property items with an acquisition cost of less than \$1,000. The university follows Louisiana Property Assistance Agency (LPAAG) policy for capitalizing and reporting equipment. The LPAAG changed the dollar threshold for capitalizing equipment from \$250 to \$1,000 in September 2000. Therefore, the reported balances have been adjusted to reflect the impact of the change in capitalization policy. The balance of equipment at June 30, 2001, includes only movable property items with an acquisition cost of \$1,000 or above.

18. INTERAGENCY TRANSFERS

During the year, transfers totaling \$7,284,816 were made to the Louisiana Office of Facility Planning and Control to finance various construction or renovation projects. LSU AAAI College's Unexpended Plant Fund transferred \$405,150 for the Lab School cafeteria and classroom additions and for the Child Care Center. The LSU Health Sciences Center transferred \$3,485,310 for property acquisition for construction of an imaging center, for purchase of air handling equipment, and for construction of a student union building. LSU in Shreveport transferred \$285,197 for the renovation of the Noel Memorial Library parking lot. LSU at Eunice transferred \$1,743,340 for the Acadian Center expansion. The LSU Health Sciences Center's General Fund transferred \$248,000 for renovation of the W. O. Moss Regional Medical Center. The LSU Agriculture Center's Restricted Fund transferred \$1,004,511 for the construction of dairy research facilities.

19. AUXILIARY ENTERPRISES

The university maintains various auxiliary enterprise funds that provide services to the university community. Segment information for the year ended June 30, 2001, follows:

	<u>Food Services</u>	<u>Housing</u>	<u>Bookstore</u>
Net income (decrease) in fund balances	\$548,042	(\$1,280,095)	\$204,329
Net income	578,079	1,299,498	1,438,522
Net assets	3,388,415	5,800,080	10,083,925
Outstanding principal and interest on debt	285,150	115,821,283	5,880,628
Annual principal and interest on debt	53,627	5,910,283	185,378

20. FOUNDATIONS

The accompanying financial statements do not include the accounts of the following foundations:

<u>Activities</u>	<u>Student Center</u>	<u>Others</u>	<u>Total</u>
(808,774)	(3,845,840)	(309,768)	(54,164,018)
541,478	375,336	2,119,882	3,023,594
1,022,882	(3,470,504)	1,810,114	23,628,082
25,829,873	1,821,268	28,448,858	173,727,118
1,310,583	405,600	899,850	3,548,014

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Notes to the Financial Statements (Continued)

Louisiana State University System Foundation
LSU Property Foundation
Pennington Biomedical Research Foundation
Pennington Medical Foundation
Tiger Athletic Foundation
LSU Alumni Association
University of New Orleans Foundation
University of New Orleans Research and Technology Foundation
UNO Athletic Foundation
UNO Alumni Association
Louisiana State University Health Sciences Center Foundation
LSU Medical School Alumni Association
LSU School of Dentistry Alumni Association
LSU School of Nursing Alumni Association
LSU in Shreveport Foundation
LSU Alumni in Shreveport Association
LSU Health Sciences Center in Shreveport Foundation
Biomedical Research Foundation of Northwest Louisiana
LSU Alexandria Foundation
LSU Eunice Foundation

These foundations are separate corporations whose financial statements are subject to audit by independent certified public accountants.

21. DEFERRED COMPENSATION PLAN

Certain employees of the LSU System participate in the Louisiana Public Employees' Deferred Compensation Plan adopted under the provisions of the Internal Revenue Code Section 457. Complete disclosures relating to the Plan are included in the separately issued work report for the Plan, available from the Louisiana Legislative Auditor, Post Office Box 94367, Baton Rouge, Louisiana 70894-9367.

22. FUND DEFICITS

The deficit of \$156,211,965 in the General Fund is the result of the liability for compensated absences for all campuses of the LSU System, and from the recording of payables for Uncompensated Care Cost, hospital cost report settlements, and payments to the state treasury by the LSU Health Sciences Center - Health Care Services Division. These amounts will be financed through future appropriations and other revenues.

23. OTHER TRANSFERS

During the fiscal year ended June 30, 2004, the LSU Health Sciences Center - Health Care Services Division transferred \$807,677 from the General Fund to the Restricted Fund. The transfer was attributed to over collections and surpluses of the fiscal year ended June 30, 2004.

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Act 3 of the 1997 Regular Legislative Session authorized these transfers to establish the restricted funds necessary for the division's operating expenses and reserves.

24. ON-BEHALF PAYMENTS

On-behalf payments for fringe benefits and salaries are direct payments made by one entity to a third party recipient for the employees of another legally separate entity. On-behalf payments include pension plan contributions, employee health and life insurance premiums, and salary supplements or stipends. The amount of on-behalf payments for fringe benefits and salaries included in Statement B for fiscal year ended June 30, 2005, is \$911,289. There were no on-behalf payments made as contributions to a pension plan for which the university is not legally responsible.

25. LSU HEALTHCARE NETWORK

The financial statements of the Louisiana State University System, LSU Health Sciences Center included the LSU School of Medicine in New Orleans Faculty Group Practice, a not-profit corporation doing business as the LSU Healthcare Network (LSUHN). The governing board of LSUHN was established in August 1999 and is comprised of 10 members, seven of which are appointed by LSU and eight of which are from the community and not members or employees of the LSU Board of Supervisors. LSUHN began operations in March 1997, providing health care to the general public and assisting the LSU Health Sciences Center in carrying out its medical, educational, and research functions.

A cooperative endeavor agreement, dated November 1, 1998, documents the relationship between the LSU Health Sciences Center and LSUHN. The agreement provides for the LSU Health Sciences Center and LSUHN to continue as autonomous organizations, with separate but complementary missions. The agreement establishes a relationship in which the LSU Health Sciences Center will lease certain faculty, staff, and specific office space and equipment to LSUHN as its part of the agreement. LSUHN will reimburse the LSU Health Sciences Center for the use of its employees, facilities, and equipment provide support to the academic programs; and provide access to a patient base that would not otherwise be available, as its part of the agreement.

**26. IMPROVEMENTS TO PLANT
ON BEHALF OF UNIVERSITY**

Improvements at University of New Orleans

The University of New Orleans Research and Technology Foundation, a separate corporation created for or in behalf of the University of New Orleans, issued long-term debt instruments for infrastructure improvements and the construction of facilities on land owned by the university and leased to the foundation. The improvements, valued at \$83,807,093 at December 31, 2005, were completely financed by the University of New Orleans Research and Technology Foundation through private lending and the sale of bonds through the Louisiana Public Facilities

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Authority, the Louisiana Local Government Environmental Facilities and Community Development Authority, and through bank notes. The university leases the land to the University of New Orleans Research and Technology Foundation in accordance with terms outlined in the ground leases. The improvements are owned by the University of New Orleans Research and Technology Foundation, but upon the expiration of the ground leases will revert to the university.

Expansion of Tiger Stadium

The Tiger Athletic Foundation, a separate corporation created in behalf of the university's intercollegiate athletics program, issued in March 1999, long-term debt instruments for the expansion of Tiger Stadium, located on the grounds of LSU and AS&M College in Baton Rouge. The expansion, with an estimated value of \$50 million, was completely financed by the Tiger Athletic Foundation through the sale of bonds through the Louisiana Public Facilities Authority and through a bank loan. The bonds financed 75% of the cost of the project and the bank loan financed the remaining balance. Commencing in January 1999 and for a term 50 years, the university agrees to lease the land to the Tiger Athletic Foundation for the stadium improvements. Until the bonds are paid for by the Tiger Athletic Foundation, the rent paid is \$1,000 per year. After the bonds are paid for in full, the rent is increased to \$2 million per year. In turn, the university agrees to lease the completed stadium improvements for 35 years from the Tiger Athletic Foundation for \$2 million per year with payments being due in September of each year. In addition, the university has granted the foundation certain rights to purchase tickets in the existing and newly expanded sections of the stadium. The stadium improvements are owned by the Tiger Athletic Foundation, but upon payment of the bonds and expiration of the lease, the Tiger Athletic Foundation intends to donate the stadium improvements to the university. Revenues of the Tiger Athletic Foundation from the sale of the ticket premiums related to the stadium improvements are pledged to finance the debt service.

LSU Health Sciences Center - New Orleans
Cooperative Endeavor for District Energy Services

Effective November 1, 1998, the LSU Board of Supervisors on behalf of the LSU Health Sciences Center - New Orleans ("LSUHSC") entered into a cooperative endeavor agreement with Entergy Thermal ("Entergy"), a division of Entergy Business Solutions, Inc., and New Orleans Medical Complex, Inc. (NORMC), a Louisiana private, non-profit corporation. The term of the agreement ends September 30, 2020, with options to renew the lease for two 5-year periods.

Under the agreement, the LSUHSC leases to NORMC a parcel of land located in New Orleans at the northeastern corner of South Claiborne Avenue and Grantor Street. NORMC pays the LSU Health Sciences Center \$40,000 annually for the lease, which may be adjusted every 5 years for inflation. NORMC is responsible for the construction of a combined use facility, which is comprised of its office, a multi-level parking garage, and a thermal energy production facility. For the period of the agreement, the LSUHSC and NORMC entered into a reciprocal lease, which, in lieu of rent, gives each the right of occupancy of the combined use facility. Upon the

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Notes to the Financial Statements (Continued)

expiration or sooner termination of the ground lease, the title to the combined use facility will automatically become vested in the Board of Supervisors.

NORMC is subsidizing the combined use facility to Entergy, which is responsible for the construction and financing of the thermal energy production facility within the combined use facility. Under the terms of the reciprocal lease, Entergy is also responsible for the operations, repair, replacement, and maintenance of the central plants located at the Medical Center of Louisiana at New Orleans and the LSU-HSC (the central plants). For the term of the agreement, the LSUHSC is obligated to purchase its thermal energy from Entergy. The LSUHSC total monetary obligation is not determinable since the obligation will be based on energy consumption.

During the term of the agreement, title to the thermal equipment within the combined use facility is vested in Entergy Thermal. Upon the expiration or termination of the agreement, Entergy will have the right, but not the obligation, to remove equipment it has installed provided that the removal of the equipment does not materially damage the thermal energy production facility space in the combined use facility. The LSU Board of Supervisors has the option to purchase the equipment upon expiration or termination of the agreement. The title to the thermal equipment installed within the central plants is vested in NORMC until the expiration or termination of the agreement, at which time title shall automatically pass to and become vested in the LSU Board of Supervisors.

27. GASS 34 IMPLEMENTATION

The university will implement the provisions of Governmental Accounting Standards Board (GASB) Statement Number 34, Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments, as amended by GASB Statement Number 35, for the fiscal year ended June 30, 2009. The effects of GASB Statement Numbers 34 and 35 are expected to significantly impact the presentation of the financial statements of the university in the year of implementation. The revised requires reporting requirements include Management's Discussion and Analysis to introduce the basic financial statements and to provide an analytical overview of the university's financial activities. In addition, the revised requirements include the university's financial activities. In addition, the revised requirements include the presentation of the university's financial statements as a business-type activity using the economic resources measurement focus and the accrual basis of accounting.

28. SUBSEQUENT EVENTS

In a Memorandum of Understanding (MOU) between the Division of Administration (DOA) and the Board of Supervisors, Louisiana State University Agricultural and Mechanical College - Health Care Services Division (LSUHSC - HCSD) dated March 3, 1999, LSUHSC - HCSD was granted a seed advance in the amount of \$85,552,755. Although the MOU did not stipulate

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STATE OF LOUISIANA
Notes to the Financial Statements (Continued)

repayment terms for the seed advance, during fiscal year 2001, the DCA withdrew \$17,236,661 from LSUHSC - HCSD's cash collections in partial payment of the advance. The term of the MOU is "from July 1, 1999 to June 30, 2004, or until final settlement of the amount owed or mutually agreed upon extinguishment of the debt." LSUHSC-HCSD management anticipated that the \$17,236,661 would be returned to LSUHSC-HCSD before the end of the fiscal year. It was not until June 30, 2001, that LSUHSC-HCSD management found out it would not be returned. As a result, LSUHSC-HCSD ended the year with a cash shortfall of \$14,031,529 and did not have sufficient cash on hand to meet obligations of its unrestricted fund. Subsequent to June 30, 2001 (on July 31, 2001), LSUHSC-HCSD loaned \$14,031,529 from the restricted fund to the unrestricted fund to assist in paying obligations of the unrestricted fund. This loan has been established as a receivable for repayment to the restricted fund for the fiscal year ended June 30, 2002.

**LOUISIANA STATE UNIVERSITY SYSTEM
STATE OF LOUISIANA
SUPPLEMENTAL INFORMATION SCHEDULES
As of and for the Year Ended June 30, 2001**

The following supplemental information schedules present the Balance Sheets; Schedules of Changes in Fund Balances; and Schedules of Revenues, Expenditures, and Other Changes - Current Funds for the LSU Board of Supervisors, the LSU and A&M College Campus, the LSU Health Sciences Center, the University of New Orleans Campus, the LSU Agricultural Center, the LSU in Shreveport Campus, the Pennington Biomedical Research Center, the Paul M. Hebert Law Center, the LSU at Alexandria Campus, and the LSU at Eunice Campus.

LOUISIANA STATE UNIVERSITY SYSTEM
STATE OF LOUISIANA
LSU BOARD OF SUPERVISORS

Balance Sheet, All Funds, June 30, 2001

	CURRENT FUNDS		PLANT FUNDS -	TOTAL
	GENERAL	RESTRICTED	PLANT	MEMORANDUM
ASSETS				
Cash and cash equivalents	\$1,001	\$600,000		\$601,000
Accounts receivable	0,000	200,143		200,143
Deferred charges and prepaid expenses	1,188	370		1,558
Investment in plant			\$2,000,000	2,000,000
TOTAL ASSETS	\$2,189	\$800,513	\$2,000,000	\$2,890,703
LIABILITIES AND FUND EQUITY				
Liabilities:				
Accounts payable	\$1,283	\$727		\$1,010
Compensated absences payable	120,271	120,733		241,004
Accrued liabilities	3,000	61,800		64,800
Total Liabilities	124,554	182,260	0,000	306,814
Fund Equity:				
Net investment in plant			\$2,000,000	2,000,000
Fund balances (deficit)				
Reserved		61,870		61,870
Amount expected to be financed in future years	(120,271)			(120,271)
Current operations - restricted		69,830		69,830
Total Fund Equity	(120,271)	151,700	2,000,000	2,031,229
TOTAL LIABILITIES AND FUND EQUITY	\$1,000	\$800,013	\$2,000,000	\$2,800,013

LOUISIANA STATE UNIVERSITY SYSTEM
STATE OF LOUISIANA
LSU BOARD OF SUPERVISORS

Schedule of Changes in Fund Balances
For the Year Ended June 30, 2001

	CURRENT FUNDS		PLANT FUND -	TOTAL
	(GENERAL)	(SPECIAL)	ESTIMATE	(MEMORANDUM)
			INCREASE	(DECREASE)
Revenues and other additions:				
Unexpended current fund revenues	\$1,579,488			\$1,579,488
Gifts - restricted		\$87,260		87,260
Insurance income - restricted		(6,188)		(6,188)
Additions to plant facilities			\$94,001	94,001
Other sources		2,042,496		2,042,496
Total revenues and other additions	<u>1,579,488</u>	<u>2,123,568</u>	<u>94,001</u>	<u>3,797,057</u>
Expenditures and other deductions:				
Educational and general	1,579,488	2,088,480		3,667,968
Exposure of plant facilities			(6,004)	(6,004)
Commodated absences	(20,000)	160,000		140,000
Total expenditures and other deductions	<u>1,559,488</u>	<u>2,248,480</u>	<u>(6,004)</u>	<u>3,812,968</u>
Net increase (decrease) for the year	120,000	(824,912)	100,005	(134,907)
Fund balances (deficit) at beginning of year (restated)	<u>(292,440)</u>	<u>694,476</u>	<u>1,062,876</u>	<u>3,064,414</u>
Fund balances (deficit) at end of year	<u>(\$172,440)</u>	<u>\$169,564</u>	<u>\$1,162,881</u>	<u>\$3,479,504</u>

LOUISIANA STATE UNIVERSITY SYSTEM
 STATE OF LOUISIANA
 LSU BOARD OF SUPERVISORS
 CURRENT FUNDS

Schedule of Revenues, Expenditures,
 and Other Changes
 For the Year Ended June 30, 2001

	<u>GENERAL</u>	<u>RESTRICTED</u>
Revenues:		
State appropriations	\$1,570,498	
Tolls		\$47,350
Investment income		71,854
Other sources		2,148,025
Total revenues	<u>1,570,498</u>	<u>2,267,229</u>
Expenditures - educational and general:		
Institutional support	1,480,800	2,318,800
Operations and maintenance of plant	88,555	48,878
Total expenditures	<u>1,569,355</u>	<u>2,367,678</u>
Other additions (deductions):		
Excess of transfers to revenues over restricted receipts		(148,335)
Compensated absences	137,858	(152,844)
Net increase (decrease) in fund balances	<u>\$137,858</u>	<u>(250,293)</u>

LOUISIANA STATE UNIVERSITY SYSTEM
STATE OF LOUISIANA
LSU AND A&M COLLEGE

Balance Sheet, All Funds, June 30, 2001

	CURRENT FUNDS		DEFERRED CASH FUNDS	ENCUMBRANCE FUNDS
	CASH BAL.	NET RECEIVABLE		
ASSETS				
Cash and cash equivalents		\$64,413,070	\$16,951,687	\$1,622,281
Investments	\$56,487,740		2,179,456	\$1,641,948
Accounts receivable	70,791	41,080	131,748	
Accounts receivable	3,738,151	5,399,544	16,941,836	
Due from state General Fund				\$1,566,641
Notes receivable		1,126,244	13,757,021	
Due from other funds				
Due from other agencies	55,707			
Deferred charges and prepaid expenses	1,244,180	3,160,895	3,120,068	
Inventory	234,850	3,667,263		
Prepaid insurance				1,070,064
Other assets				
TOTAL ASSETS	\$60,710,871	\$87,798,086	\$38,070,714	\$8,922,954
LIABILITIES AND FUND EQUITY				
Liabilities:				
Accounts payable	\$1,400,894	\$1,000,000	\$188,721	
Accrued liabilities	1,516,223	394,489	454,500	
Due to state treasury	6,250			
Due to other funds	21,767,854			\$2,866,006
Due to other agencies	39,336,984			
Deposits held for others	1,231,750	790,299	1,200	\$61,434
Deferred revenues	2,282,481	3,682,072	2,862,274	
Compensated absences payable	11,862,258	2,288,258	400,000	
Notes payable				
Contracts payable				
Bonds payable				
Total liabilities	71,267,594	81,163,318	4,486,216	3,927,440
Fund Equity:				
Investment in plant				
Fund balances (DEFIC)				
Retained	266,820	1,876,500	(1,746,714)	
Amount reported to be reported to other years	17,368,216			
Current operations - restricted		4,688,260	41,292,817	
Restricted operations				16,062,412
Restricted				14,000,000
Endowment				446,416
Fund adjustment				1,000,000
State involvement - restricted				15,417,000
Retained Fund Equity	17,635,036	6,564,760	39,546,103	36,927,828
TOTAL LIABILITIES AND FUND EQUITY	\$88,902,630	\$87,738,078	\$44,032,319	\$40,855,268

(DEPARTMENT)	PLANT FUNDS		EQUIPMENT IN PLANT	AGENCY FUNDS	TOTAL (NONPARADISE ONLY)
	REPAIRS AND REPLACEMENTS	REPLACEMENT OF MAJOR DEVICES			
\$1,064,700	\$1,066,000	\$121,700		\$ 894,000	\$3,147,400
\$4,891,000		\$2,344,000			10,894,000
1,700					750,000
1,688,000	897	124,700			30,893,147
					1,875,070
					12,880,000
					10,894,000
					10,000
					3,848,000
					2,888,000
			\$788,000,011		88,000,011
					1,070,000
<u>\$55,588,000</u>	<u>\$5,400,000</u>	<u>\$25,714,000</u>	<u>\$788,000,011</u>	<u>\$ 894,000</u>	<u>\$1,649,944,011</u>
\$894,000					\$7,800,000
					4,875,000
		\$1,104,070			610,000
					10,894,000
				\$ 894,000	\$7,700,000
					2,264,000
					\$7,700,000
					\$8,000,000
			\$84,770,110		\$4,770,110
			1,000,000		1,000,000
			\$7,888,000		\$7,888,000
<u>\$894,000</u>	<u>\$0.00</u>	<u>\$1,104,070</u>	<u>\$10,000,011</u>	<u>\$894,000</u>	<u>\$20,728,000</u>
			\$88,000,000		\$88,000,000
2,184,000	\$1,177,000	\$,841,700			18,764,011
					17,880,000
					\$7,280,000
\$5,714,000	4,000,000				10,894,000
					\$7,888,000
					\$804,000
<u>\$894,000</u>	<u>1,000,000</u>	<u>\$,841,700</u>	<u>\$10,000,000</u>	<u>\$0.00</u>	<u>\$20,728,011</u>
<u>\$55,588,000</u>	<u>\$5,400,000</u>	<u>\$25,714,000</u>	<u>\$788,000,011</u>	<u>\$ 894,000</u>	<u>\$1,649,944,011</u>

LOUISIANA STATE UNIVERSITY SYSTEM
STATE OF LOUISIANA
LSU AND A&M COLLEGE

Schedule of Changes in Fund Balances
For the Year Ended June 30, 2001

	CURRENT FUNDS			FUND BALANCE 1/1/01
	GENERAL	STATE APPROPRIATIONS	NON-FUNDED	
Revenues and other additions				
Unrestricted current appropriations	\$269,281,000			
Tuition and fees - restricted			\$10,000,000	
State grants and contracts - restricted			25,744,000	
Federal grants and contracts - restricted			\$4,091,575	
Gifts - restricted			3,098,000	
Private grants and contracts - restricted			3,001,000	
Investment income - restricted			1,336,747	\$21,386
Sales and services			1,084,748	461,044
State fund reimbursements				
Endowment income			1,048,075	
Auxiliary enterprise revenues		\$26,794,000		
Additions to plant facilities				
Withdrawal of fund balances				
Other sources		\$20,000	10,001,000	740,000
Total revenues and other additions	<u>269,281,000</u>	<u>26,794,000</u>	<u>19,193,560</u>	<u>762,730</u>
Expenditures and other deductions				
Educational and general	268,070,700		13,099,000	
Auxiliary enterprises		\$1,004,000		
Interfund transfers			10,346,000	
Loss participations and write-offs				200,000
Expenditures plant facilities				
Withdrawal of fund balances				
Interest on indebtedness				
Deposits on plant facilities				
Intergovernmental transfers				
Contingent liabilities	600,000	100,000	100,000	
Other		100,000		10,000
Total expenditures and other deductions	<u>268,670,700</u>	<u>1,104,000</u>	<u>13,199,000</u>	<u>10,000</u>
Transfers among funds—additions (deductions)				
Majority interest		\$1,041,000	\$1,041,000	
Loss participations	(20,000)			20,000
Reimbursements:				
Capital improvements	(3,200,000)	\$1,000,000	(400,000)	
Instruments and equipment		(1,000,000)		
Other		\$1,000,000	\$1,000,000	
Total transfers among funds	<u>(3,200,000)</u>	<u>1,041,000</u>	<u>641,000</u>	<u>20,000</u>
Inventory increase	0,000	0,000	0,000	0,000
Net increase (decrease) for the year	<u>60,210,300</u>	<u>(1,004,000)</u>	<u>6,294,560</u>	<u>400,000</u>
Fund balances (initially at beginning of year) (continued)	<u>(20,441,000)</u>	<u>10,293,000</u>	<u>41,738,000</u>	<u>14,000,000</u>
Fund balances (initially at end of year)	<u>\$11,229,300</u>	<u>9,289,000</u>	<u>48,032,560</u>	<u>14,400,000</u>

**LOUISIANA STATE UNIVERSITY SYSTEM
STATE OF LOUISIANA
LSU AND A&M COLLEGE
CURRENT FUNDS**

**Schedule of Revenues, Expenditures,
and Other Changes
For the Year Ended June 30, 2001**

	GENERAL	AUXILIARY ENTERPRISES	RESTRICTED
Revenues:			
Tuition and fees	\$107,000,004		\$12,622,880
State appropriations	144,800,480		
Federal grants and contracts			68,207,833
State grants and contracts			24,837,270
Fees			8,300,243
Private grants and contracts			(281,348)
Sales and services of educational departments	8,600,172		1,684,822
Sales and services of auxiliary departments		\$94,783,280	
Endowment income			1,213,721
Investment income	3,128,478		880,020
Other sources	8,622,800		8,708,832
Total revenues	<u>280,327,022</u>	<u>94,783,280</u>	<u>118,540,867</u>
Expenditures and transfers:			
Educational and general:			
Instruction	123,503,048		24,008,437
Research	28,583,653		47,884,717
Public service	1,591,700		8,192,118
Academic support	38,588,321		2,048,868
Student services	7,311,548		3,098,420
Institutional support	68,778,218		2,185,380
Operations and maintenance of plant	21,888,484		975,114
Scholarships and fellowships	61,288,782		78,822,872
Total educational and general expenditures	<u>385,078,754</u>	<u>None</u>	<u>178,588,927</u>
Nonexpendable transfers for:			
Principal and interest		5,619,820	3,378,800
Lower level existing	28,028		
Nonexpendable transfers for:			
Capital improvements	1,288,087	8,889,740	448,540
Revenues and replacements		1,878,750	
Other		175,800	(508,000)
Auxiliary enterprises expenditures		\$1,000,000	
Total expenditures and transfers	<u>395,291,022</u>	<u>85,155,810</u>	<u>178,607,117</u>
Other additions (deductions):			
Excess of restricted receipts over transfers to students			91,383,418
Compensated absences	(883,280)	(185,190)	48,250
Inventory increase	9,887		
Other		118,277	(35,741,892)
Net increase (decrease) in fund balances	<u>\$(10,063,722)</u>	<u>\$(1,472,150)</u>	<u>\$9,249,504</u>

LOUISIANA STATE UNIVERSITY SYSTEM
STATE OF LOUISIANA
LSU HEALTH SCIENCES CENTER

Balance Sheet, All Funds, June 30, 2001

	CURRENT FUNDS			FUND LIABILITIES	EQUITIES
	GENERAL	UNRESERVED	RESERVED		
ASSETS					
Cash and cash equivalents	\$47,800,513	\$4,015,098	\$70,323,719	\$1,298,807	\$89,438,137
Investments		251,898	10,448,885	14,898	10,715,681
Accounts Payable		82	30,883	88	30,973
Accounts receivable	(5,899,885)	1,211,891	\$4,684,479		
Due from state - General Fund				10,231,680	
State receivable					2,800,000
Due from other agencies	30,750,000				
Due from other funds			26,134,333		
Deferred charges and prepaid expenses	\$70,800	118,000	271,375		
Intangible	(1,000,000)	3,848,845			
Intangible plant					
Assets under capital lease					
TOTAL ASSETS	\$61,780,514	\$6,403,744	\$101,202,317	\$13,561,165	\$121,222,097
LIABILITIES AND FUND EQUITY					
Liabilities:					
Accounts payable	\$471,000,266	\$2,205,027			
Accounts liabilities	11,470,000	214,500	\$4,287,287		
Due to state - federal	\$6,878,587				
Due to other funds	\$2,894,187	82		88	\$1,700,000
Deposited for others	76,544	298,478		299	
Deferred revenues	1,000,000	20,133			
Compromised accounts payable	\$2,775,408	470,000	14,887,249		
Notes payable					
Bonds payable					
Liabilities under capital lease					
Total Liabilities	\$607,724,282	\$2,914,137	\$19,174,533	307	\$1,700,000
Fund Equity:					
Net investment in plant					
Fund balances (deficit)					
Reserve	27,268,800	335,081	9,175,543		
Current operations - unrestricted	(100,898,800)				
Amount expected to be reported in future years	(50,311,428)				
Current operations - restricted		5,488,117	13,877,249	10,271	
Restricted operations					
Reserve				10,000,000	
Equipment					41,400,000
Total Fund Equity	\$100,167,672	\$5,783,205	\$23,052,792	\$10,010,271	\$41,400,000
TOTAL LIABILITIES AND FUND EQUITY	\$707,891,954	\$8,697,342	\$42,227,325	\$13,571,436	\$122,922,097

Schedule 7

STATE FUND	PLANT FUNDS		AGENCY FUNDS	TOTAL
	REVENUE & GRANT REPLACEMENTS	REVENUES IN PLANT		
\$2,747,004	\$2,492,189		\$262,714	\$5,502,507
14,000,000	204,218		246,220	14,450,438
1,074	1,074			471,007
80,000				143,884,000
1,107,000				1,127,004
				12,000,000
				21,101,000
				25,174,000
				1,100,000
		\$200,000,000		200,000,000
		14,000,000		14,000,000
<u>\$4,000,000</u>	<u>\$2,697,400</u>	<u>\$200,000,000</u>	<u>\$247,934</u>	<u>\$4,000,077,000</u>
100,000	8000			\$100,80000
477,000	1,074		\$247,934	100,80000
				88,870,000
				25,124,000
				104,000
				2,000,000
				85,070,000
		\$1,000,000		7,000,000
		11,700,000		11,700,000
		10,000,000		10,000,000
<u>100,000</u>	<u>1,074</u>	<u>11,700,000</u>	<u>247,934</u>	<u>247,937,000</u>
		84,000,000		84,000,000
1,000,000	40000			10,000,000
				(10,000,000)
				100,000,000
				75,000,000
10,000,000	2,714,000			12,714,000
				10,000,000
<u>10,000,000</u>	<u>2,714,000</u>	<u>84,000,000</u>	<u>1000</u>	<u>100,000,000</u>
<u>\$4,000,000</u>	<u>\$2,697,400</u>	<u>\$200,000,000</u>	<u>\$247,934</u>	<u>\$4,000,077,000</u>

LOUISIANA STATE UNIVERSITY SYSTEM
 STATE OF LOUISIANA
 LSU HEALTH SCIENCES CENTER

Schedule of Changes in Fund Balances
 For the Year Ended June 30, 2001

	CURRENT FUND		STATE LEAS FUNDS
	INCREASE	DECREASE	
Receipts and other additions:			
Unrestricted current fund revenues	\$411,700,704		
Tuition and fees - restricted		(2,521,542)	
State grants and contracts - restricted		(20,000,000)	
Federal grants and contracts - restricted		38,899,000	\$99,000
Local grants and contracts - restricted		1,781,000	
Gifts - restricted		1,073,000	
Private grants and contracts - restricted		20,000,000	770
Investment income - restricted		1,070,000	80,000
State and private		100,000,000	
Non-fund encumbrances			597,500
Encumbrance transfers		\$9,000,000	
auxiliary- enterprise revenues			
Hospital - restricted	720,000,000		700,000,000
Interest on State securities			
Admission patient facilities			
Recovery of investments			
Other funds			2,710
Total receipts and other additions	<u>\$1,131,700,704</u>	<u>\$9,000,000</u>	<u>\$700,002,710</u>
Expenditures and other deductions:			
Administrative and general	\$41,000,000		\$50,000,000
Hospital	\$98,700,000		\$70,000,000
auxiliary- enterprise		\$2,075,000	
Interest on State securities			\$1,000,000
State-occupational and private			2,000
Expended for provisions		207,000	
Business and professional			
Travel and entertainment			
Manufacturing programs			300,000
Expense of plant facilities			
Emergency transfers	\$40,000		
Compensated absences	2,000,000	40,000	100,000
Other			11,000
Total expenditures and other deductions	<u>\$141,740,000</u>	<u>\$2,115,000</u>	<u>\$71,401,000</u>
Transfers among funds - additions (deductions)			
Inventory			
Financial and general		(67,000)	(200,000)
Loan-fund modifying	(607,000)		(2,000)
Other	(600,000)		800,000
Non-inventory:			
Capital improvements	(23,000)	(100,000)	(2,000,000)
Equipment and replacements		(100,000)	
Other		800	20,000
Total transfers among funds	<u>(1,290,000)</u>	<u>(167,000)</u>	<u>(1,982,000)</u>
Inventory increases	<u>\$1,290,000</u>	<u>\$0</u>	<u>\$0</u>
Net increase (decrease) for the year	<u>\$97,960,704</u>	<u>1,833,000</u>	<u>\$1,020,710</u>
Fund balances (initial) at beginning of year (continued)	<u>\$70,200,000</u>	<u>\$,000,000</u>	<u>\$1,200,000</u>
Fund balances (initial) at end of year	<u>\$168,160,704</u>	<u>\$1,833,000</u>	<u>\$2,220,710</u>

LOUISIANA STATE UNIVERSITY SYSTEM
STATE OF LOUISIANA
LSU HEALTH SCIENCES CENTER
CURRENT FUNDS

Schedule of Revenues, Expenditures,
and Other Changes
For the Year Ended June 30, 2001

	GENERAL	AUXILIARY ENTREPRENEURIAL	RESTRICTED
Revenues:			
Tuition and fees	\$14,843,044		\$660,111
State appropriations	124,587,888		
Federal grants and contracts			28,546,091
State grants and contracts			21,460,438
Local grants and contracts			1,990,171
Gifts			2,015,906
Private grants and contracts			65,841,541
Hospital income	323,912,291		28,215,888
Salaries and services of educational departments	1,335,214		18,473,001
Salaries and services of auxiliary departments		\$66,951,400	
Investment income	448,600		1,490,000
Endowment income			2,460,150
Other sources	647,484		12,863,180
Total revenues	\$602,738,506	\$66,951,400	\$108,558,730
Expenditures and benefits:			
Educational and general:			
Instruction	18,000,040		\$6,146,111
Research	10,000,000		47,320,000
Public service	1,004,100		40,299,571
Academic support	12,400,000		35,445,707
Student services	1,683,303		1,100,000
Institutional support	15,498,988		21,600,500
Operations and maintenance of plant	11,001,400		3,444,286
Scholarships and fellowships	1,675,044		1,710,044
Total educational and general expenditures	111,562,185	0	168,066,219
Mandatory benefits for:			
Medical and dental		\$7,264	100,000
Loan fund matching	45,740		13,000
Other	601,671		(807,877)
Nonmandatory benefits for:			
Capital expenditures	55,500	188,804	1,900,000
Depreciation and replacements		120,811	
Other		800	20,000
Auxiliary enterprises expenditures		30,175,480	
Hospital expenditures	736,001,150		278,498,677
Total expenditures and benefits	\$1,534,082,645	\$30,384,095	477,884,120
Other activities (deductions):			
Excess of restricted receipts over transfers to restricted			18,875,166
Compensated absences	(9,200,154)	(48,500)	(708,000)
Inventory decisions	(9,200,154)		
Other		(267,128)	(12,860,716)
Net increase (decrease) in fund balances	\$60,776,023	\$1,607,805	\$6,891,630

LOUISIANA STATE UNIVERSITY SYSTEM
STATE OF LOUISIANA
UNIVERSITY OF NEW ORLEANS

Balance Sheet, All Funds, June 30, 2001

	CURRENT FUNDS			FUNDING LOAN FUNDS	ENDOWMENT FUNDS
	GENERAL	RESTRICTED	RESTRICTED		
ASSETS					
Cash and cash equivalents	\$2,091,740	\$1,111,000	\$0	\$0	\$1,000,000
Investments			\$0		\$1,000,000
Accounts receivable	77	1,000,000	\$2,000,710		
Due from state-Deferred fund				\$,700,000	\$0
Due from other funds		1,000,000			
Due from private foundation			\$71,000		
Deferred charges and prepaid expenses	\$41,000	3,000	\$0		
Investments	\$1,000	1,000,000	\$0		
Intuit.com/planet					
Assets under capital lease					
TOTAL ASSETS	\$3,135,517	\$3,115,000	\$2,000,710	\$1,700,000	\$2,000,000
LIABILITIES AND FUND EQUITY					
LIABILITIES					
Accounts payable	\$2,100,000	\$0	\$1,000,000		
Accounts receivable	1,000,000				
Due to other funds	\$0				
Due to other funds			1,000,000		
Deposits held for others	\$0	\$0	\$0		
Due to other agencies			\$0		
Unearned revenues	\$,000,000	\$0	\$,000,000		
Compensated absences payable	\$14,700	\$0	\$0		
Notes payable					
Notes payable					
Obligations under installment					
Total liabilities	<u>\$3,115,000</u>	<u>\$0</u>	<u>\$2,000,000</u>	<u>\$0</u>	<u>\$0</u>
Fund Equity					
Net investment in plant					
Fund balances (deficit)					
Reserve	\$1,000	\$0	\$0		
Amount expended for financial aid for year	(\$14,700)				
Contingent liabilities - restricted		\$,000,000	\$,000,000		
Amount expended for:					
Restricted				\$,000,000	
Unrestricted					\$1,000,000
Total fund equity	<u>\$0</u>	<u>\$1,115,000</u>	<u>\$0</u>	<u>\$,700,000</u>	<u>\$1,000,000</u>
TOTAL LIABILITIES AND FUND EQUITY	\$3,115,000	\$3,115,000	\$2,000,000	\$1,700,000	\$2,000,000

FUND CODE	FUND DESIGN			AGENCY FUNDS	TOTAL MEMBERSHIP
	REGULAR AND SPECIAL ACCOUNTS	PERMANENT OR INTERIM FUNDS	INVESTMENT FUND		
00	\$10,000,000	\$10,000	\$100,000	\$100,000	\$10,000,000 11,201,400 FF
000001				10,000	10,000,000 \$10,000 4,300,000 1,200,000 11,000 100,000 1,000,000
			\$100,000,000		\$100,000,000
			\$1,000,000		\$1,000,000
<u>00</u>	<u>\$10,000,000</u>	<u>\$10,000</u>	<u>\$100,000,000</u>	<u>\$100,000</u>	<u>\$100,001,000</u>
01				100	14,000,000
				10,000	1,000,000
				100,000	1,000,000 10,000 10,000 10,000 10,000 10,000 10,000
			\$100,000		\$100,000
			\$1,000,000		\$1,000,000
<u>01</u>	<u>10,000</u>	<u>10,000</u>	<u>10,000,000</u>	<u>100,000</u>	<u>10,000,000</u>
			100,000,000		100,000,000
		\$100,000			1,000,000 1,000,000 11,100,000
10	\$10,000,000	\$10,000			10,000,000
<u>10</u>	<u>\$10,000,000</u>	<u>\$10,000</u>	<u>100,000,000</u>	<u>100,000</u>	<u>100,000,000</u>
<u>10</u>	<u>\$10,000,000</u>	<u>\$10,000</u>	<u>100,000,000</u>	<u>100,000</u>	<u>100,000,000</u>

LOUISIANA STATE UNIVERSITY SYSTEM
STATE OF LOUISIANA
UNIVERSITY OF NEW ORLEANS

Schedule of Changes in Fund Balances
For the Year Ended June 30, 2007

	CURRENT FUND BALANCE		FUND BALANCE LAST YEAR
	2007	2006	
Revenues and other additions:			
Unrestricted current fund revenues	\$2,817,138		
Tuition and fees - restricted		\$2,487,321	
State grants and contracts - restricted		2,268,618	
Federal grants and contracts - restricted		\$2,124,488	\$21,000
Local grants and contracts - restricted		\$91,251	
Gifts - restricted		24,478	
Private grants and contracts - restricted		2,144,947	
State bonded encumbrances			
Encumbrance income - restricted		114,000	271
Encumbrance income		422,857	
Auxiliary activities restricted	\$21,047,710		
Interest on bonds receivable			
Additions to plant facilities			92,975
Payment of indebtedness			
Other sources		2,221,000	78,262
Total revenues and other additions	\$2,817,138	11,387,115	121,238
Expenditures and other deductions:			
Structural and general	\$2,227,228	12,228,228	12,228,227
Auxiliary enterprises		12,228,228	2,224,228
Interest-cost recovered			2,224,228
Loan cancellations and interests			27,228
Expenditure plant facilities			
Payment of indebtedness			
Interest on indebtedness			
Expense of plant facilities			
Compensated absences	\$72,227	227	2,228
Other			41,228
Total expenditures and other deductions	\$2,227,228	12,228,227	171,228
Transfer among funds - additions (deductions)			
Monitory			
Principal and interest		(228,228)	(228,228)
Loan fund matching	(22,228)		22,228
Nonmonitory			
Capital improvements		(72,228)	(72,228)
Recessals and replacements		22,228	
Other	1,228,228	(2,228,228)	(22,228)
Total transfer among funds	\$1,228,228	(2,228,228)	(22,228)
Inventory increase (decrease)	(2,228)	2,228	2,228
Net increase (decrease) for the year	\$27,228	(22,228)	22,228
Fund balances (deficit) beginning of year (related)	\$2,228,228	2,228,227	2,228,228
Fund balances (deficit) at end of year	\$2,228,228	\$2,228,228	\$2,228,228

EMPLOYMENT CATEGORIES	PLANT FUNDS				TOTAL (NON-EMPLOYMENT)
	GENERAL FUND	REVENUE FUND	INVENTORY OF FIXED ASSETS	GOVERNMENT FUNDS	
					\$82,917,028
			\$81,700		6,987,774
					6,986,078
					26,837,487
					876,024
					88,470
					6,448,798
\$1,229,000	\$1,716,200		\$6,517		1,299,000
(206,224)					1,716,777
					(206,224)
					14,537,014
					88,274
				\$1,000,000	\$1,000,000
				107,000	107,000
	1,280,000			107,000	6,470,071
<u>250,000</u>	<u>2,000,000</u>	<u>2,000</u>	<u>78,200</u>	<u>1,107,000</u>	<u>10,200,000</u>
					103,880,000
					10,500,000
					6,880,000
					67,000
	8,400,000	27,000			8,427,000
			107,000		107,000
			1,796,000		1,796,000
				1,107,000	2,200,000
					104,880
					61,880
<u>250,000</u>	<u>8,400,000</u>	<u>27,000</u>	<u>1,903,000</u>	<u>1,214,000</u>	<u>10,200,000</u>
					104,880
					61,880
					1,000
	104,870	61,880	1,000	1,000	107,250
<u>104,870</u>	<u>61,880</u>	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>	<u>107,250</u>
<u>200,000</u>	<u>100,000</u>	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>	<u>203,000</u>
781,540	(6,176,000)	10,000	(711,100)	71,400,000	6,584,440
11,086,177	18,261,000	12,487	1,874,000	248,118,000	281,347,664
<u>11,086,177</u>	<u>18,261,000</u>	<u>12,487</u>	<u>1,874,000</u>	<u>248,118,000</u>	<u>281,347,664</u>

LOUISIANA STATE UNIVERSITY SYSTEM
STATE OF LOUISIANA
UNIVERSITY OF NEW ORLEANS
CURRENT FUNDS

Schedule of Revenues, Expenditures,
and Other Changes
For the Year Ended June 30, 2001

	GENERAL	AUXILIARY ENTERPRISES	RESTRICTED
Revenues:			
Tuition and fees	\$42,208,114		\$0,000,000
State appropriations	43,058,821		
Federal grants and contracts			14,831,000
State grants and contracts			7,885,547
Local grants and contracts			593,433
Private grants and contracts			5,835,280
Sales and services of educational departments	218,080		
Sales and services of auxiliary departments		\$11,207,114	
Endowment income			440,592
Investment income	457,155		173,000
Other sources	3,285,122		4,894,398
Total revenues	89,221,132	11,207,114	25,884,588
Expenditures and transfers:			
Educational and general:			
Instruction	46,293,130		13,895,025
Research	1,575,049		20,400,470
Public service	2,298,608		3,827,578
Academic support	10,444,527		800,878
Student services	4,446,791		2,295,430
Institutional support	13,863,554		1,655,830
Operations and maintenance of plant	10,589,542		891,321
Scholarships and fellowships	4,521,230		13,881,828
Total educational and general expenditures	93,681,521	0,000	58,768,311
Inventory transfers (to):			
Principal and interest		860,000	860,000
Leasehold existing	24,710		
Nonmandatory transfers (to):			
Capital improvements		710,031	118,330
Reprints and replacements		65,224	
Other	(1,880,280)	1,262,380	124,700
Auxiliary enterprises expenditures		12,427,685	
Total expenditures and transfers	91,826,131	12,427,685	59,804,588
Other additions (deductions):			
Excess of restricted receipts over transfers to systems			5,658,807
Composited expenses	(810,887)	(942)	(5,000)
Inventory increase (decrease)	(3,232)		2,812
Other			(4,021,000)
Net increase (decrease) in fund balances	(805,808)	(280,571)	\$1,725,808

LOUISIANA STATE UNIVERSITY SYSTEM
 STATE OF LOUISIANA
 LSU AGRICULTURAL CENTER

Balance Sheet, All Funds, June 30, 2001

	CURRENT FUNDS		ENDOWMENT FUNDS
	DEBITED	CREDITED	
ASSETS			
Cash and cash equivalents	\$612,113	\$7,000,000	
Investments		29,000	\$21,181
Accounts receivable	98,793	4,397,800	
Due from state General Fund			
Deferred charges and prepaid expenses	1,000	87,387	
Inventories	4,178,793		
Retainable part			
TOTAL ASSETS	\$4,900,000	\$11,775,000	\$21,181
LIABILITIES AND FUND-EQUITY			
Liabilities:			
Accounts payable	\$174,103	\$69,000	
Account payable	693,864	219,831	
Deposits held for others	2,819		
Deferred revenues	11,787	99,607	
Compensated absences payable	2,813,004	87,718	
Total liabilities	<u>\$3,695,577</u>	<u>506,156</u>	<u>\$69,831</u>
Fund Equity:			
Net investments in plant			
Fund balances (deficit)			
Reserves	4,178,793	1,898,700	
Amount appropriated/allocated in future years	(2,813,004)		
Contingent liabilities - restricted		78,071,600	
Restricted operations:			
Restricted			\$21,181
Unrestricted			
Total Fund Equity	<u>\$4,900,000</u>	<u>11,775,000</u>	<u>\$21,181</u>
TOTAL LIABILITIES AND FUND-EQUITY	\$4,900,000	\$11,775,000	\$21,181

PLANT FUNDS		AGENCY BLDG	TOTAL (MEMORANDUM ONLY)
UNEXPENDED	INVENTORY IN PLACE		
\$1,200,000		\$50,400	\$6,400,000
30,000			700,000
550,000			4,770,000
			500,000
			60,000
			4,170,000
	\$70,000,410		70,000,410
<u>\$1,830,000</u>	<u>\$70,000,410</u>	<u>\$50,400</u>	<u>\$6,750,400</u>
\$1,000			\$10,000
		\$50,400	\$70,000
			100,000
			200,000
<u>1,000</u>	<u>50,000</u>	<u>50,400</u>	<u>2,000,000</u>
	\$70,000,410		70,000,410
10,000			5,000,000
			27,000,000
			10,000,000
1,000,000			1,000,000
<u>1,000,000</u>	<u>70,000,410</u>	<u>50,400</u>	<u>60,000,000</u>
<u>\$1,000,000</u>	<u>\$70,000,410</u>	<u>\$50,400</u>	<u>\$60,000,000</u>

LOUISIANA STATE UNIVERSITY SYSTEM
 STATE OF LOUISIANA
 LSU AGRICULTURAL CENTER

Schedule of Changes in Fund Balances
 For the Year Ended June 30, 2001

	CURRENT FUNDS		ENDOWMENT Funds
	Current	RESTRICTED	
Revenues and other additions:			
Unexpended current fund revenues	\$16,003,916		
State grants and contracts - restricted		\$2,790,820	
Federal grants and contracts - restricted		5,529,854	
Gifts - restricted		2,284,288	
Private grants and contracts - restricted		1,495,741	
Investment income - restricted		452,777	
Sales and services		829,450	
State funds/endowments			\$41,000
Endowment income		36,890	48,894
Additions to plant facilities			
Other sources		1,260,880	
Total revenues and other additions	<u>\$16,003,916</u>	<u>\$10,353,419</u>	<u>\$91,894</u>
Expenditures and other deductions:			
Educational and general	\$6,893,916	\$3,044,239	
Student fees received		(40,558)	
Expended for plant facilities			
Repayment of payables			
Integrating benefits		1,024,071	
Compensated absences	83,890	61,894	
Total expenditures and other deductions	<u>\$6,977,806</u>	<u>\$3,106,162</u>	<u>\$0.00</u>
Inventory increase	<u>883,212</u>	<u>6298</u>	<u>9208</u>
Net increase (decrease) for the year	1,083,102	944,894	88,894
Fund balances (deficit) at beginning of year (continued)	<u>\$4,721,893</u>	<u>\$1,121,525</u>	<u>888,897</u>
Fund balances (deficit) at end of year	<u>\$5,804,995</u>	<u>\$2,066,419</u>	<u>977,791</u>

CYCLE FLOWS		TOTAL
MEMORANDUM	DEFERRED	(MEMORANDUM
ONLY	ONLY	ONLY)
		\$38,000,000
		5,340,000
		3,320,000
		2,390,000
		2,400,000
\$71,700		200,000
		100,000
		50,000
		70,000
	\$0,000,000	5,350,000
710,000		1,000,000
<u>781,700</u>	<u>0,000,000</u>	<u>100,350,000</u>
		50,000,000
		50,000,000
\$64,000		50,000,000
	1,440,000	1,440,000
		1,000,000
		440,000
<u>\$64,000</u>	<u>1,440,000</u>	<u>50,440,000</u>
\$0,000	\$0,000	\$0,000
\$10,000	\$,000,000	\$,000,000
1,000,000	10,000,000	10,000,000
<u>\$1,010,000</u>	<u>\$10,000,000</u>	<u>\$10,000,000</u>

LOUISIANA STATE UNIVERSITY SYSTEM
 STATE OF LOUISIANA
 LSU AGRICULTURAL CENTER
 CURRENT FUNDS

Schedule of Revenues, Expenditures,
 and Other Changes
 For the Year Ended June 30, 2001

	<u>GENERAL</u>	<u>RESTRICTED</u>
Revenues:		
Federal appropriations	\$10,580,328	
State appropriations	83,437,383	
Federal grants and contracts		80,378,773
State grants and contracts		6,658,750
Gifts		3,288,285
Private grants and contracts		3,778,734
Sales and services of educational departments	3,557,455	548,557
Investment income	158,910	37,187
Employment income		87,124
Other sources	458,947	858,483
Total revenues	<u>78,853,945</u>	<u>15,878,987</u>
Expenditures and transfers - educational and general:		
Research	28,324,184	10,832,655
Public service	25,817,284	5,445,765
Academic support	1,380,728	
Institutional support	8,287,670	238,833
Operations and maintenance of plant	2,854,753	
Scholarships and fellowships		30,683
Total educational and general expenditures	<u>76,853,976</u>	<u>16,848,296</u>
Other additions (deductions):		
Excess of restricted receipts over transfers to revenues		833,485
Compressed absences	50,085	(10,158)
Inventory increase	885,217	
Other		(1,674,288)
Net increase in fund balances	<u>\$1,089,172</u>	<u>\$344,891</u>

UNEMPLOYED	PAYMENT FUNDS		AGENCY FUNDS	TOTAL
	FOR PAYMENT OF	UNEMPLOYED		PERMANENT
	EMPLOYEES	EMPLOYEES		
\$100,000			\$100,000	\$4,857,000
				\$10,000
				1,443,000
	\$100,000			\$47,000
				\$17,000
		\$1,000,000		\$1,840,000
		100,000		\$17,000
<u>\$100,000</u>	<u>\$100,000</u>	<u>\$1,100,000</u>	<u>\$100,000</u>	<u>\$10,000,000</u>
				\$480,000
				\$1,000
			\$100,000	\$10,000
				1,443,000
				1,000,000
		\$100,000		\$10,000
		\$10,000		\$1,000
<u>None</u>	<u>None</u>	<u>100,000</u>	<u>100,000</u>	<u>1,000,000</u>
		\$1,000,000		\$4,800,000
	\$100,000			\$10,000
				\$1,400,000
				\$17,000
<u>\$100,000</u>	<u>\$100,000</u>	<u>\$1,100,000</u>	<u>\$100,000</u>	<u>\$10,000,000</u>

LOUISIANA STATE UNIVERSITY SYSTEM
STATE OF LOUISIANA
LSU IN SHREVEPORT

Schedule of Changes in Fund Balances
For the Year Ended June 30, 2001

	CURRENT FUNDS			EQUITY FUNDS
	GENERAL	INSTRUMENTAL	RESTRICTED	
Revenues and other additions:				
Unrestricted current fund revenues	\$ 19,202,422			
Tuition and fees - restricted			\$699,595	
State grants and contracts - restricted			2,698,200	
Fellowships and contracts - restricted			4,488,894	
Gifts - restricted			399,500	
Fellowships and contracts - restricted			837,717	
Investment income - restricted				\$ 11,947
Sales and services			60,840	
State bonded encumbrances				168,000
Surplus appropriate revenues	\$ 1,070,460			
Additions to plant facilities				
Retirement of indebtedness				
Other revenues			107,430	
Total revenues and other additions	\$ 20,272,882	\$ 1,070,460	\$ 8,493,596	\$ 348,000
Expenditures and other deductions:				
Educational and general	\$ 19,099,540		\$ 6,904,900	
Surplus appropriate		\$ 2,191,697		
Interest on debt incurred			108,407	
Expenses for plant facilities				
Retirement of indebtedness				
Interest on indebtedness				
Deposits of plant facilities				
Intergovernmental transfers				
Compensated absences	\$ 1,400	\$ 1,100	\$ 1,400	
Other				
Total expenditures and other deductions	\$ 19,100,940	\$ 3,292,797	\$ 7,016,707	\$ 1,400
Transfers among funds - within (deductions):				
Maintenance - principal and interest		\$ 176,776		
Miscellaneous				
Capital improvements			\$ 481,197	
Other	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
Total transfers among funds	\$ 25,000	\$ 201,776	\$ 506,197	\$ 25,000
Net increase (decrease) for the year	\$ 1,171,942	\$ 777,663	\$ 146,889	\$ 123,000
Fund balances available beginning of year (audited)	\$ 1,428,000	\$ 1,547,000	\$ 1,376,200	\$ 148,000
Fund balances available end of year	\$ 2,599,942	\$ 2,324,663	\$ 1,523,089	\$ 271,000

PLANT CLASS		TOTAL	
AMOUNT PAID	RECEIVED	IN PLANT	ON HAND
			\$4,000.00
			800.00
			1,000.00
			1,000.00
			200.00
			607.00
\$61.00			10.00
			100.00
			1,000.00
		\$2,000.00	1,000.00
		60.00	60.00
100.00			100.00
100.00	NONE	1,000.00	14,000.00
			20,000.00
			1,000.00
100.00			100.00
	600.00		60.00
	7.00		7.00
600.00		600.00	600.00
			600.00
		10.00	10.00
100.00	10.00	600.00	14,000.00
100.00	10.00	600.00	16,000.00
100.00	10.00	600.00	16,000.00
100.00	10.00	600.00	16,000.00

LOUISIANA STATE UNIVERSITY SYSTEM
STATE OF LOUISIANA
LSU IN SHREVEPORT
CURRENT FUNDS

Schedule of Revenues, Expenditures,
and Other Changes
For the Year Ended June 30, 2001

	STATE FUND	AUXILIARY ENTERPRISES	RESTITUTION
Revenues:			
Tuition and fees	\$8,240,688		\$90,177
State appropriations	10,751,681		
Federal grants and contracts			4,300,000
State grants and contracts			3,085,477
Fees			288,328
Private grants and contracts			1,071,407
Sales and services of educational departments	128,724		20,430
Sales and services of auxiliary departments		\$2,370,000	
Investment income	129,821		
Other incomes	80,841		41,000
Total revenues	<u>19,339,555</u>	<u>2,370,000</u>	<u>8,726,332</u>
Expenditures and transfers:			
Educational and general			
Instruction	18,241,830		1,890,331
Research	50,787		304,217
Public service			2,484,180
Academic support	2,275,127		352,800
Student services	1,071,788		90,801
Instructional support	2,378,808		27,876
Operation and maintenance of plant	2,081,583		18,478
Scholarships and fellowships	721,278		3,003,000
Total educational and general expenditures	<u>29,395,534</u>	<u>None</u>	<u>8,664,603</u>
Mandatory transfers for principal and interest		79,229	
Nonmandatory transfers to:			
Capital investments			\$48,107
Other	\$8,080	28,130	\$4,854
Auxiliary enterprise expenditures		2,218,447	
Total expenditures and transfers	<u>29,411,694</u>	<u>2,325,806</u>	<u>8,717,564</u>
Other activities (deductions):			
Excess of restricted receipts over transfers to revenues			\$8,412
Committed advances	(\$4,000)	1,145	8,481
Other			(100,482)
Net increase (decrease) in fund balances	<u>(\$2,400)</u>	<u>\$41,194</u>	<u>\$10,861</u>

LOUISIANA STATE UNIVERSITY SYSTEM
 STATE OF LOUISIANA
 PENNINGTON BIOMEDICAL RESEARCH CENTER

Balance Sheet, All Funds, June 30, 2007

	CURRENT FUNDS		ENCUMBRANT FUNDS
	GENERAL	MULTIPURPOSE	
ASSETS			
Cash and cash-equivalents	\$ 872,714	\$5,433,884	
Receivables		83,000	\$2,187,000
Accounts receivable	85,891	266,611	
Due from state - General Fund			
Deferred charges and prepaid expenses	714	31,700	
Prepaid plant			
TOTAL ASSETS	\$959,319	\$5,733,195	\$2,187,000
LIABILITIES AND FUND-EQUITY			
LIABILITIES:			
Accounts payable	\$ 871,587	\$40,646	
Account liabilities	28,887	107,344	
Deposits held for others	21,950		
Deferred revenues		1,780	
Compensated absences payable	877,843	174,510	
Total liabilities	1,810,267	344,280	00000
Fund Equity:			
Net investment in plant			
Fund balances (deficit)			
Reserve		494,000	
Amount expected to be financed in future years	\$977,848		
Current operations - restricted		4,000,450	
Noncurrent operations:			
Restricted			
Endowment			\$2,187,000
Total Fund Equity	\$977,848	\$4,494,450	\$2,187,000
TOTAL LIABILITIES AND FUND-EQUITY	\$959,319	\$5,733,195	\$2,187,000

PLANT FUNDS		ANNUAL FUNDS	TOTAL
UNEXPENDED	IN PLANT		AMOUNTS DUE
59,400		500	\$1,000.00
			2,079,445
28,278			28,278
			50,000
	<u>50,000.00</u>		<u>50,000.00</u>
<u>59,400</u>	<u>50,000.00</u>	<u>500</u>	<u>110,004.40</u>
			500,000
			100,000
		500	50,000
			5,000
			1,000,000
<u>100,000</u>	<u>100,000</u>	<u>500</u>	<u>1,000,500</u>
	<u>50,000.00</u>		<u>50,000.00</u>
			400,000
			(50,000)
			1,000,000
50,000			50,000
			2,000,000
<u>50,000</u>	<u>50,000.00</u>	<u>500</u>	<u>50,004.00</u>
<u>59,400</u>	<u>50,000.00</u>	<u>500</u>	<u>110,004.40</u>

LOUISIANA STATE UNIVERSITY SYSTEM
 STATE OF LOUISIANA
 PENNINGTON BIOMEDICAL RESEARCH CENTER

Schedule of Changes in Fund Balances
 For the Year Ended June 30, 2001

	CURRENT YEAR		BALANCE AT END
	2001	2000	
Revenues and other additions:			
Identified current fund revenues	\$1,974,576		
State and local grants and contracts - identified		\$1,785,116	
Federal grants and contracts - identified		7,886,607	
Gifts - restricted		2,054,111	
Federal grants and contracts		1,790,048	
Salaries and services of educational departments		3,000	
Investment income - restricted		90,500	
Endowment income		14,210	\$108,000
Additions to plant facilities			
Other sources		1,200,000	
Total revenues and other additions	<u>3,949,176</u>	<u>11,009,692</u>	<u>108,000</u>
Expenditures and other deductions:			
Educational and general	3,874,576	11,968,000	
Building costs incurred		1,773,200	
Expended for plant facilities			
Expenditures for plant facilities			
Commodities consumed	3,000	23,301	
Total expenditures and other deductions	<u>3,905,576</u>	<u>13,764,501</u>	<u>None</u>
Transfer among funds - additions (deductions) -			
- Reimbursement - capital improvements	(25,000)	None	None
Inventory decrease	\$1,000	None	(200)
Net increase (decrease) for the year	<u>(14,000)</u>	<u>(2,957,809)</u>	<u>(108,000)</u>
Fund balances (deficit) at beginning of year (estimated)	<u>\$993,876</u>	<u>3,044,331</u>	<u>2,200,000</u>
Fund balances (deficit) at end of year	<u>\$979,876</u>	<u>\$1,086,522</u>	<u>\$2,092,000</u>

PLANT PURCHASES		TOTAL
UNDEPRECIATED	DEPRECIATED & PLANT	(MEMORANDUM DAILY)
		\$1,014,030
		1,500,000
		1,000,000
		2,014,111
		2,700,000
		3,000
		90,000
		(715,000)
	\$1,000,000	5,000,000
\$50,000		1,000,000
<u>\$50,000</u>	<u>\$1,000,000</u>	<u>\$2,100,000</u>
		\$1,000,000
		1,711,000
\$5,000		55,000
	100,000	100,000
		11,000
<u>\$5,000</u>	<u>100,000</u>	<u>\$1,166,000</u>
		\$2,000
<u>\$2,000</u>	<u>\$2,000</u>	<u>\$2,000</u>
		\$5,000
20,000	5,000,000	1,150,000
15,000	50,000,000	57,000,000
<u>\$35,000</u>	<u>\$55,000,000</u>	<u>\$58,150,000</u>

LOUISIANA STATE UNIVERSITY SYSTEM
 STATE OF LOUISIANA
 PENNINGTON BIOMEDICAL RESEARCH CENTER
 CURRENT FUNDS

Schedule of Revenues, Expenditures,
 and Other Changes
 For the Year Ended June 30, 2001

	GENERAL	RESTRICTED
Revenues:		
State appropriations	\$5,340,000	
Federal grants and contracts		\$5,498,729
State grants and contracts		1,101,541
Bills		2,351,711
Private grants and contracts		3,094,879
Sales and services of educational departments	58,771	500
Investment income		81,238
Other sources	879,517	3,088,579
Total revenues	<u>6,318,288</u>	<u>17,821,336</u>
Expenditures and transfers:		
Instructional and general		
Research	1,704,717	64,348,019
Public service		204,755
Academic support	848,678	851,381
Institutional support	1,893,800	1,392,282
Operations and maintenance of plant	<u>2,818,011</u>	<u>118,000</u>
Total instructional and general expenditures	6,365,206	68,914,357
Noninstructional transfers - capital improvements	29,080	
Total expenditures and transfers	<u>6,394,286</u>	<u>68,914,357</u>
Other deductions:		
Excess of transfers to accounts over restricted receipts		(818,013)
Composited advances	(6,083)	(63,081)
Inventory decrease	(8,186)	
Other		(2,713,289)
	<u>(14,352)</u>	<u>(3,524,383)</u>
Net (decrease) in fund balances	<u>(14,352)</u>	<u>(3,524,383)</u>

LOUISIANA STATE UNIVERSITY SYSTEM
 STATE OF LOUISIANA
 PAUL M. HEBERT LAW CENTER

Balance Sheet, All Funds, June 30, 2021

	CURRENT FUNDS		EQUIPMENT FUNDS
	GENERAL	RESTRICTED	
ASSETS			
Cash and cash equivalents	\$80,000	\$1,005,000	\$479,000
Investments		90,000	1,070,000
Accounts receivable	40,000	(5,000)	
Due from state General Fund			
Deferred charges and prepaid expenses	10,000		
Institutional year			
TOTAL ASSETS	\$1,300,000	\$1,090,000	\$1,549,000
LIABILITIES AND FUND EQUITY			
Liabilities			
Accounts payable	\$10,000	\$1,000	
Annual liabilities	100,000	0,000	
Due to state treasury	20,000		
Deposits held for others	100,000		
Belated revenues	50,000	0,000	
Compensated absences payable	0,000		
Total Liabilities	380,000	10,000	0,000
Fund Equity			
Reinvestment in plant			
Fund balances (PMSC)			
Reserved		80,000	
Amount expected to be financed in future years	(70,000)		
Current operations - restricted		1,000,000	
Management operations:			
Endowment			\$1,300,000
Capital equipment - restricted			500
Total Fund Equity	(70,000)	1,080,000	1,300,000
TOTAL LIABILITIES AND FUND EQUITY	\$1,300,000	\$1,090,000	\$1,549,000

PLANT FUNDS			TOTAL
UNRECORDED	INVESTMENT REPLANT	AGENCY FUNDS	(BUDGETARY CONTROL)
		0107	\$1,000,700
000,700			1,100,000
			70,000
00,000			80,000
			100,000
	<u>144,371,740</u>		<u>14,071,740</u>
0000	<u>144,371,740</u>	<u>0107</u>	<u>\$17,407,000</u>
0000			100,000
			100,000
		0107	100,000
			100,000
			100,000
000	<u>10,000</u>	<u>0107</u>	<u>1,000,000</u>
	<u>144,371,740</u>		<u>14,071,740</u>
			40,000
			100,000
			1,000,000
			1,000,000
			500
00000	<u>14,371,740</u>	<u>0107</u>	<u>10,000,000</u>
0000	<u>144,371,740</u>	<u>0107</u>	<u>\$17,407,000</u>

LOUISIANA STATE UNIVERSITY SYSTEM
 STATE OF LOUISIANA,
 PAUL M. HEBERT LAW CENTER

Schedule of Changes in Fund Balances
 For the Year Ended June 30, 2004

	CURRENT FUND		EQUIPMENT FUNDS
	GENERAL	RESTRICTED	
Revenues and other additions:			
Unrestricted current fund-revenues:			
Tuition and fees - restricted	\$10,240,148		
Tuition and fees - restricted		\$100,140	
State grants and contracts - restricted		8,400	
Gifts - restricted		277,325	
Interest and dividends		100,140	
Investment income - restricted		50,140	
State fund/encumbrances			\$100,000
Encumbrance income		\$7,000	\$7,000
ADDITIOINS to plant facilities			
Other sources:			
Telecommunications and other additions			
	<u>10,240,148</u>	<u>743,145</u>	<u>187,000</u>
Expenditures and other deductions:			
Educational and general	10,240,148	200,437	
Expended for plant facilities			
Expended at plant facilities			
Compensation encumbr			
Total expenditures and other deductions	<u>10,240,148</u>	<u>200,437</u>	<u> </u>
Net Increase (Decrease) for the year	(50,701)	(56,492)	87,000
Fund balances (deficit) at beginning of year (provided)	<u>288,655</u>	<u>1,111,660</u>	<u>1,269,000</u>
Fund balances (deficit) at end of year	<u>237,954</u>	<u>1,055,168</u>	<u>1,356,000</u>

PLANT FACILITIES		TOTAL
ACQUISITION	IN PLACE	DEPRECIATION
AMOUNTS	AMOUNTS	AMOUNTS
		\$4,049,168
		105,740
		8,600
		277,000
		105,540
		104,100
		100,000
		100,000
	11,000,000	1,040,000
502,000		57,000
107,040	1,000,000	1,000,000
		10,000,000
175,000		107,000
	945,000	945,000
177,000	945,000	1,062,000
1000	1,000,000	1,000,000
1000	11,000,000	10,000,000
1000	10,000,000	10,000,000

LOUISIANA STATE UNIVERSITY SYSTEM
 STATE OF LOUISIANA
 PAUL M. HENBERT LAW CENTER
 CURRENT FUNDS

Schedule of Revenues, Expenditures,
 and Other Changes
 For the Year Ended June 30, 2001

	<u>GENERAL</u>	<u>RESTRICTED</u>
Revenues:		
Tuition and fees	\$5,080,208	\$172,913
State appropriations	6,151,755	
State grants and contracts		28,160
Gifts		\$17,000
Sales and services of educational departments	20,197	115,180
Investment income	73,560	60,641
Endowment income		48,240
Other sources	2,408	
Total revenues	<u>11,356,128</u>	<u>637,434</u>
Expenditures and transfers - educational and general:		
Instruction	5,206,760	487,527
Research	518,870	
Public service	818	5,753
Academic support	2,501,888	50,417
Student services	647,265	23,813
Institutional support	1,739,838	143,440
Operations and maintenance of plant	828,773	
Scholarships and fellowships	728,535	133,170
Total educational and general expenditures	<u>12,169,147</u>	<u>847,110</u>
Other deductions:		
Excess of transfers to revenues over restricted receipts		(55,451)
Compensated absences	(108,791)	
Net (decrease) in fund balances	<u>(\$915,791)</u>	<u>(\$20,648)</u>

LOUISIANA STATE UNIVERSITY SYSTEM
STATE OF LOUISIANA
LSU AT ALEXANDRIA

Balance Sheet, All Funds, June 30, 2001

	CAPITAL FUNDS			OTHER LOAN FUNDS	ENDORSEMENT FUNDS
	GENERAL	EXPENSES	RESERVE FID.		
ASSETS					
Cash and cash equivalents	\$66,888	\$1,417,387	\$100,001	\$1,048	\$10,119
Investments			24,280		284,624
Accounts receivable	188,026	178,400	(20,281)		
Due from other General Fund					
Deferred charges and prepaid expenses	1,687				
Investments		104,264			
Endowment assets					
TOTAL ASSETS	\$257,601	\$1,800,051	\$103,999	\$1,058	\$284,743
LIABILITIES AND FUND EQUITY					
Liabilities:					
Accounts payable	\$121,888	\$13,750	2048		
Accounts receivable	68,733	10,028	8,178		
Deposits held for others	1,207				
Deferred revenues	200,000	33,888	81,470		
Contract payable					
Compensated absences payable	187,001	15,800	100		
Total liabilities	<u>557,809</u>	<u>71,216</u>	<u>90,796</u>	<u>0,000</u>	<u>0,000</u>
Fund Equity:					
Endowment fund					
Fund expenses (deficit)					
Reserve		28,094	51,700		
Amount expected to be financed in future years	187,104				
Commitment - restricted		1,728,433	190,000		
Noncurrent operations:					
Equipment				88,664	
Endowment					104,619
Other - restricted - awarded					15,418
Total Fund Equity	<u>187,104</u>	<u>1,728,433</u>	<u>241,700</u>	<u>88,664</u>	<u>224,637</u>
TOTAL LIABILITIES AND FUND EQUITY	\$744,913	\$1,800,051	\$332,496	\$8,662	\$509,380

PLANT FUNDS					TOTAL
UNREPLACED	REPLACEMENTS	REPLACEMENTS	REPLACEMENTS	ACCUMULATED	DEPRECIATION
			IN PLACE	FUNDS	(NET)
10,750	2,507,000			175,000	21,007,000
10,000					200,000
15,000		1,000,000			200,000
			100,000,000		200,000
					20,000,000
<u>\$10,750</u>	<u>\$2,507,000</u>	<u>\$1,000,000</u>	<u>\$100,000,000</u>	<u>\$175,000</u>	<u>\$21,007,000</u>
					\$100,000
				175,000	20,000
			200,000		200,000
			200,000		400,000
				17,000	1,400,000
			20,000,000		20,000,000
\$10,000	\$10,000	\$10,000			40,000
					200,000
					10,000
<u>\$10,000</u>	<u>\$10,000</u>	<u>\$10,000</u>	<u>\$1,000,000</u>	<u>\$10,000</u>	<u>\$21,000,000</u>
<u>\$10,750</u>	<u>\$2,517,000</u>	<u>\$1,010,000</u>	<u>\$101,000,000</u>	<u>\$185,000</u>	<u>\$22,007,000</u>

**LOUISIANA STATE UNIVERSITY SYSTEM
STATE OF LOUISIANA
LSU AT ALEXANDRIA**

**Schedule of Changes in Fund Balances
For the Year Ended June 30, 2007**

	CURRENT FUNDS			CHANGE FROM FUND
	GENERAL	RESTRICTED	UNRESTRICTED	
Revenues and other additions:				
Unexpended current fund revenues	\$1,240,000			
Transferred from - restricted			\$271,000	
State grants and contracts - restricted			\$55,000	
Federal grants and contracts - restricted			2,492,000	
Cities - restricted			104,000	
Private grants and contracts - restricted			21,000	
Investment income - restricted			19,000	\$60
Gifts and donations			2,000*	
Unrecovered expenses			75,474	
Auxiliary enterprise revenues		\$1,000,712		
Appropriations		11,884	75,400	60
Reversal of appropriations				60
Other sources				
Total revenues and other additions	<u>\$1,240,000</u>	<u>1,000,712</u>	<u>3,148,712</u>	<u>60</u>
Expenditures and other deductions:				
Educational and general	\$1,042,000		\$,495,000	
Auxiliary enterprise		1,000,000*		
Individuals' salaries			\$5,700	
Expenditures plant facilities				
Investment of expenditures				
Interest on indebtedness				
Depreciation plant facilities				
Compensated absences	\$900	2,000	500	
Other			\$1,000	
Total expenditures and other deductions	<u>\$1,042,900</u>	<u>1,002,000</u>	<u>2,141,200</u>	<u>100</u>
Transfers among funds - additional methodology:				
Majority - principal fund/recipient			\$73,400	
Minority/recipient				
Capital improvements			\$1,000	
Reversals and adjustments			\$12,000	
Total transfers among funds	<u>\$730</u>	<u>\$73,400</u>	<u>100</u>	<u>100</u>
Net increase (decrease)/in the year	\$190	\$1,000	1,000	100
Fund balances (deficit) beginning of year (estimated)	<u>\$871,500</u>	<u>1,100,000</u>	<u>\$71,000</u>	<u>0,000</u>
Fund balances (deficit) period of year	<u>\$871,690</u>	<u>\$1,101,000</u>	<u>\$72,000</u>	<u>\$1,000</u>

**LOUISIANA STATE UNIVERSITY SYSTEM
STATE OF LOUISIANA
LSU AT ALEXANDRIA
CURRENT FUNDS**

**Schedule of Revenues, Expenditures,
and Other Changes
For the Year Ended June 30, 2001**

	<u>GENERAL</u>	<u>AUXILIARY (FUND) FUNDS</u>	<u>RESTRICTED</u>
Revenues:			
Tuition and fees	\$2,087,820		\$988,800
State appropriations	9,385,149		
Federal grants and contracts			2,630,872
State grants and contracts			500,882
Gifts			154,800
Private grants and contracts			27,847
Sales and services of educational departments	18,912		
Sales and services of auxiliary departments		\$7,869,712	
Endowment income			12,407
Investment income	28,421		
Other sources	224,050		57,582
Total revenues	<u>\$12,727,324</u>	<u>\$7,869,712</u>	<u>\$1,752,898</u>
Expenditures and transfers:			
Educational and general:			
Instruction	4,250,089		918,433
Public affairs			78,812
Academic support	480,428		12,230
Student services	948,589		88,218
Institutional support	1,221,573		81,087
Operations and maintenance of plant (scholarships and fellowships)	1,520,549		8,018
	92,172		1,081,818
Total educational and general expenditures	<u>\$12,427,364</u>	<u>\$0.00</u>	<u>\$1,787,378</u>
Mandatory transfers - principal and interest		142,428	
Nonmandatory transfers for:			
Capital improvements		41,484	
Renovals and replacements		23,270	
Auxiliary department expenditures		1,899,882	
Total expenditures and transfers	<u>\$12,427,364</u>	<u>\$1,891,784</u>	<u>\$1,787,378</u>
Other activities (debits/credits)			
Excess of restricted receipts over transfers to restricted			26,521
Compensated absences	800	(5,192)	(580)
Other		(5,024)	(36,738)
Net increase (decrease) in fund balances	<u>\$200</u>	<u>\$41,898</u>	<u>(\$15,588)</u>

LOUISIANA STATE UNIVERSITY SYSTEM
 STATE OF LOUISIANA
 LSU AT SHREVEPORT

Balance Sheet, All Funds, June 30, 2001

	CURRENT FUNDS			STATE LOAN FUNDS	LONG-TERM FUNDS
	GENERAL	EXPENDABLE	RESTRICTED		
ASSETS					
Cash and cash equivalents	\$ 51,987	\$ 223,589		\$ 77,839	\$ 12,000
Investments					148,000
Accounts receivable	47,000	1,084	24,804		
Due from state-Operating Fund					
Due from other funds		129,321			
Unearned charges and prepaid expenses	3,287				
Notes receivable				500,000	
Inventory		822,197			
Prepaid/deferred					
TOTAL ASSETS	\$ 102,274	\$ 456,191	\$ 24,804	\$ 577,839	\$ 262,000
LIABILITIES AND FUND EQUITY					
Liabilities					
Accounts payable	\$ 60,128	\$ 12,120	\$ 44		
Accrued liabilities	188,428	1,840	17,248		
Due to other funds			28,251		
Deposits held for others	648				
Deferred revenues	225,228	27,712	18,286		
Compensated absences payable	400,771	1,879			
Bank payable					
Total liabilities	\$ 1,274,903	\$ 45,511	\$ 45,539	\$ 0	\$ 0
Fund Equity					
Net investment in plant					
Fund balance deficits					
Retained		1,814	24,804		
Amount appropriated for financial future years	(492,773)				
Current operations - restricted		948,800	30,712		
Measurement operations:					
Restricted				\$ 500,000	
Unrestricted					\$ 262,000
Total Fund Equity	\$ 492,773	\$ 948,800	\$ 30,712	\$ 500,000	\$ 262,000
TOTAL LIABILITIES AND FUND EQUITY	\$ 1,274,903	\$ 948,800	\$ 30,712	\$ 577,839	\$ 262,000

PLANT (2008)					TOTAL
DEPRECIATED	RENEWALS AND REPLACEMENTS	NET DEPRECIATION OF INVESTMENTS	MAINTENANCE IN PLACE	ACCUMULATED FUNDING	PERMANENT FUNDING
\$6,617	\$ 67,000			\$6,600	\$ 207,100
1,000,000		\$200			1,000,000
20,000					20,000
					600,000
					2,000
					100,000
					200,000
			\$20,000,000		\$2,000,000
\$1,026,617	\$ 67,000	\$200	\$20,000,000	\$6,600	\$2,800,100
					600,000
					2,000,000
				\$4,000	200,000
					200,000
			\$2,000,000		1,000,000
None	None	None	1,000,000	4,000	2,000,000
			20,000,000		20,000,000
\$40,000		\$200			\$2,000
					600,000
					1,200,000
1,000,000	\$ 67,000				2,000,000
1,000,000	70,000	200	20,000,000	20,000	20,000,000
\$1,000,000	\$ 70,000	\$200	\$20,000,000	\$4,000	\$20,000,000

LOUISIANA STATE UNIVERSITY SYSTEM
STATE OF LOUISIANA
LSU AT EUNICE

Schedule of Changes in Fund Balances
For the Year Ended June 30, 2001

	CAMBODI FUND			STATE OF LOUISIANA FUNDS
	GENERAL	ANNUALS	RESTRICTED	
Revenues and other additions:				
Grouped unrestricted revenues	17,000,000			
Tuition and fees - restricted			227,500	
State grants and contracts - restricted			418,000	
Federal grants and contracts - restricted			3,891,400	
Gifts - restricted			77,500	
Private grants and contracts - restricted			15,800	
Sales and services			500	
Investment income - restricted				52,000
Interest on loans receivable				5,400
Endowment income			7,100	
Auxiliary enterprise revenues		\$ 416,000		
Additions to plant facilities				
Repayments of indebtedness				
Other revenues			70,000	25,000
Total revenues and other additions	17,000,000	416,000	4,615,300	82,400
Expenditures and other deductions:				
Educational and general	1,275,000		4,275,000	
Auxiliary enterprises		1,200,000		
Student grants, awards			30,000	
Loan cancellations and write-offs				55,000
Expended for plant facilities				
Disposal of plant facilities				
Repayments of indebtedness				
Interest on indebtedness				
Emergency transfers				
Comptroller salaries	1,000	200	(4,000)	
Other			1,000	11,000
Total expenditures and other deductions	1,276,000	1,200,200	4,306,000	66,000
Transfer assignments - without deductions:				
Residency:				
Principal and interest		1,000,000		
Loan loss-making grants	5,000			5,000
Nonresidency:				
Capital improvements	225,000	1,075,000	200,000	
Repairs and replacements		(15,000)		
Other				
Total transfer assignments	230,000	1,060,000	200,000	5,000
Net income (losses) for year	4,494,000	(1,784,200)	309,300	16,400
Fund balances (deficit) at beginning of year (restated)	(864,000)	1,719,500	150,000	(25,000)
Fund balances (deficit) at end of year	\$ 480,000	\$ 935,300	\$ 459,300	\$ 10,400

EMPLOYMENT CLASS	PLANT FUNDS				TOTAL PERSONNEL
	UNEMPLOYED	REGULAR (LAND REGULATIONS)	RETIRED (BY OR PROVISION)	EMPLOYED (NOT A1)	
					\$7,000.00
					\$7,000
					100.00
					3,883.83
					\$0.00
					\$0.00
	\$204.40		\$0.00		\$204.40
					0.00
\$11,400					\$11,400
					1,800.00
				\$1,000.00	1,000.00
				\$0.00	\$0.00
	\$0.00				\$0.00
\$1,400	100.00	0.00	2.00	1,000.00	\$2,402.00
					100.00
					1,000.00
					1,000.00
	\$80.00			\$1,400	\$1,480.00
					\$1,400
			\$0.00		\$0.00
			\$7.00		\$7.00
	1,000.00				1,007.00
		\$0.00			\$0.00
\$0.00	2,402.00	0.00	2,000.00	\$0.00	\$4,802.00
					100.00
					1,000.00
					0.00
	1,000.00		0.00	0.00	1,000.00
					0.00
\$0.00	2,402.00	0.00	2,000.00	\$0.00	\$4,802.00
\$0.00	2,402.00	0.00	2,000.00	\$0.00	\$4,802.00
\$0.00	\$4,802.00	\$0.00	\$0.00	\$0.00	\$4,802.00

**LOUISIANA STATE UNIVERSITY SYSTEM
STATE OF LOUISIANA
LSU AT MONROE
CURRENT FUNDS**

**Schedule of Revenues, Expenditures,
and Other Changes
For the Year Ended June 30, 2001**

	GENERAL	SUPPORTARY EMPLOYEES	RESTRICTED
Revenues:			
Tuition and fees	\$2,808,000		\$108,300
State appropriations	4,800,000		
Federal grants and contracts			3,058,000
State grants and contracts			482,000
Gifts			72,100
Private grants and contracts			8,100
Sales and services of educational departments			910
Sales and services of auxiliary departments		\$1,810,000	
Expansions income			8,800
Other sources	58,500		300,000
Total revenues	<u>7,800,500</u>	<u>1,810,000</u>	<u>4,967,310</u>
Expenditures and transfers:			
Educational and general:			
Instruction	4,238,000		137,800
Academic support	421,118		7,817
Student services	300,437		116,810
Institutional support	1,148,027		58,000
Operations and maintenance of plant	1,207,732		6,800
Scholarships and fellowships	58,870		2,182,270
Total educational and general expenditures	<u>7,812,384</u>	NONE	<u>4,071,317</u>
Mandatory transfers for:			
Principal and interest		130,000	
Loan fund matching grants	6,876		
Nonmandatory transfers:			
Capital improvements	22,700	1,570,000	300,000
Reprints and replacements		10,070	
Auxiliary enterprise expenditures		1,380,000	
Total expenditures and transfers	<u>7,868,660</u>	<u>1,710,070</u>	<u>4,071,317</u>
Other additions (deductions):			
Excess of transfers to revenues over restricted receipts			(311,208)
Transfer to students			(11,200)
Compensated absences	(1,400)	287	8,800
Other		(1,704)	(10,031)
Net (decrease) in fund balances	<u>\$(1,400)</u>	<u>\$(1,700,000)</u>	<u>\$(271,364)</u>

**OTHER REPORTS REQUIRED BY
GOVERNMENT AUDITING STANDARDS**

The following pages contain a report on compliance with laws, regulations, contracts, and grants and on internal control as required by Government Auditing Standards, issued by the Comptroller General of the United States. This report is based solely on the audit of the financial statements and includes, where appropriate, any reportable conditions and/or material weaknesses in internal control or compliance matters that would be material to the presented financial statements.



OFFICE OF
LEGISLATIVE AUDITOR
STATE OF LOUISIANA
BATON ROUGE, LOUISIANA 70804-5987

SHARIS G. BROWN, PH.D., CPA, CFE
LEGISLATIVE AUDITOR

HOWARD TIBBBS, PH.D.
FOURTH DISTRICT BOSS WIFE
TELEPHONE: (225) 385-7340
FACSIMILE: (225) 385-5775

December 12, 2001

Report on Compliance and on Internal Control Over
Financial Reporting Based on an Audit of the
General Purpose Financial Statements

LOUISIANA STATE UNIVERSITY SYSTEM
STATE OF LOUISIANA
Baton Rouge, Louisiana

We have audited the general purpose financial statements of the Louisiana State University System, a component unit of the State of Louisiana, as of and for the year ended June 30, 2001, and have issued our report thereon dated December 12, 2001. We did not audit a portion of the Restricted Fund, Retirement of Indebtedness Fund, and Net Investment in Plant Fund assets, revenues, and expenditures related to the operations of the LSU School of Medicine in New Orleans Faculty Group Practice (doing business as LSU Healthcare Network). These amounts were audited by another auditor whose report has been furnished to us. This report, insofar as it relates to the LSU Healthcare Network, is based solely upon the reports of the other auditor. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the Louisiana State University System's general purpose financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and, accordingly, we do not express such an opinion. The results of our tests disclosed the following instance of noncompliance that is required to be reported under Government Auditing Standards.

LOUISIANA STATE UNIVERSITY
HEALTH SCIENCES CENTER -
HEALTH CARE SERVICES DIVISION

Noncompliance With General Appropriation Act

The Louisiana State University Health Sciences Center - Health Care Services Division (HCSHD) did not comply with all provisions of the General Appropriation Act (Act 11 of the 2000 Second Extraordinary Session of the Louisiana Legislature), Section 2 of Act 11

LEGISLATIVE AUDITOR

LOUISIANA STATE UNIVERSITY SYSTEM
STATE OF LOUISIANA

Compliance and Internal Control Report

December 12, 2001

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states that all money from federal, interagency, statutory dedication, or self-generated revenue shall be available for expenditure in the amounts appropriated. However, in the event that revenues should be less than the amount appropriated, the appropriation shall be reduced accordingly.

For fiscal year 2001, budgeted revenues for HCSD were \$780,959,611, actual available revenues were \$759,802,988, and actual expenditures were \$770,376,640 (budget basis). As a result, HCSD and seven of its nine hospitals incurred deficits, based on internal budgetary documentation, for the fiscal year ending June 30, 2001, totaling \$13,173,652 (budget basis) as follows:

	Favorable (Unfavorable) Variance
HCSD	(\$1,858,472)
St. A. Conarty Medical Center	4,141,740
Ear K. Long Medical Center	(\$1,190,782)
Hay P. Long Medical Center	(\$219,721)
University Medical Center	(\$212,989)
W. O. Stone Regional Medical Center	11,259,920
Lafayette Regional Medical Center	(\$29,990)
Leonard Chaubert Medical Center	1,789,020
Washington-St. Tammany Regional Medical Center	(\$21,304)
Medical Center of Louisiana at New Orleans	(\$1,784,889)
Total	<u>(\$13,173,652)</u>

This deficit occurred because the Office of Statewide Reporting and Accounting Policy withdrew \$17,238,881 intended to finance HCSD operations to repay the General Fund for a portion of the debt due to the state General Fund from HCSD. HCSD was not able to sufficiently reduce expenditures to compensate for this unexpected loss of income.

HCSD should monitor its budget and that of the hospitals and take immediate corrective action to avoid any over-expenditure of appropriated funds. HCSD should address the elimination of this deficit by reducing future expenditures and/or increasing future revenue or appropriations. Management did not concur with this finding. Management stated, in part, that actual cash revenues of \$774,141,529 exceeded expenditures by over \$4 million (see Appendix A, pages 1-2).

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Additional Comments: While HCSD did collect \$774,141,539, which is in excess of expenditures for the year, only \$758,562,966 of this amount was available to finance expenditures because of the actions of the Office of Statewide Reporting and Accounting Policy, as described above.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Louisiana State University System's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the general purpose financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we considered to be material weaknesses.

Other Reports

Other external auditors audited the LSU Healthcare Network, which is included in the Louisiana State University System's general purpose financial statements for the year ended June 30, 2001. To obtain the latest audit report of the LSU Healthcare Network, write to the LSU Healthcare Network, 2820 Gravier Street, Suite 507, New Orleans, Louisiana 70112.

As a part of our audit of the LSU System's financial statements for the year ended June 30, 2001, we performed certain procedures on campuses and hospitals within the LSU System. Our reports on those procedures for those campuses and hospitals are dated as follows:

LSU and Related Campuses	December 12, 2001
LSU Health Sciences Center - New Orleans	November 29, 2001
LSU Health Sciences Center - Shreveport	December 7, 2001
LSU Health Sciences Center - Health Care Services Division	December 10, 2001
Medical Center of Louisiana at New Orleans	December 7, 2001
E. A. Conway Medical Center	May 18, 2001
Washington-St. Tammany Medical Center	March 5, 2001
Bart R. Ling Medical Center	August 19, 2001
University of New Orleans	December 11, 2001

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These reports contained compliance and internal control findings related to those facilities. Management's responses are also included in those reports. Copies of those reports are available for public inspection at the Baton Rouge, New Orleans, and Shreveport offices of the Legislative Auditor, and those reports can also be found on the internet at www.la.state.la.us/OLA/cas.html.

This report is intended solely for the information and use of the Louisiana State University System and its management and is not intended to be, and should not be, used by anyone other than those specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Respectfully submitted,



Daniel G. Kyle, CPA, CFE
Legislative Auditor

JPD:ES:PRDL:118

11/15/01

Appendix A

Management's Corrective Action Plan and Response to the Finding and Recommendation



Health Sciences Center
HEALTH CARE SERVICES DIVISION

Office of Director of Health Care
Office of Director of Financial
Office of General
Office of Nursing
Office of Home Health/Outpatient
Office of Inpatient Services
Health Care Services Division

December 10, 2001

Dr. Daniel G. Kyle, CPA, CFE
Legislative Auditor
Office of the Legislative Auditor
Post Office Box 94187
Baton Rouge, Louisiana 70804-5187

RE: Audit Finding: Non-Compliance With General Appropriations Act

Dear Dr. Kyle:

The Louisiana State University Health Sciences Center - Health Care Services Division does not concur with the Legislative Audit Finding Non-Compliance With General Appropriations Act.

LSUHSC-HCSD's year-end actual cash revenues were not less than actual expenditures for the fiscal year ended June 30, 2000. Actual cash revenues were \$774,141,538, and actual expenditures were \$770,476,040, resulting in \$3,665,499 cash revenues over actual expenditures, or net surplus. The audit finding states that LSUHSC-HCSD and seven of its nine hospitals incurred deficits for the fiscal year ended June 30, 2000. The General Appropriations Act appropriates Means of Financing at the total division level for LSUHSC-HCSD, not at the individual hospital level. A deficit could not be measured by individual hospital, since the Means of Financing is not appropriated by individual hospital.

The Division of Administration, without prior communication or agreement with LSUHSC-HCSD management, withdrew \$17,338,551 from LSUHSC-HCSD's Integrated Statewide Information System (ISIS) General Appropriations cash collections in partial repayment of an \$85,172,755 need advance. This need advance was granted in accordance with the Memorandum of Understanding between the Division of Administration and the Board of Supervisors, Louisiana State University Agricultural and Mechanical College - Health Care Services Division, dated March 5, 1998. The MOU did not stipulate that LSUHSC-HCSD would have to repay a portion of the need advance during the fiscal year ended June 30, 2000. The term of the MOU is "from July 1, 1998 to June 30, 2004, or until final settlement of the amount owed or mutually agreed upon extinguishment of the debt."

LSUHSC-HCSD did work to reduce expenditures during the fiscal year and had \$29,853,171 in unspent expenditure authority in its operating appropriation at year-end. In addition, \$15,173,752 in Restricted Funds was frozen in order to have sufficient cash to meet its operating appropriation to close out fiscal year 2000. LSUHSC-HCSD hospitals had to repay \$6.8 million in cash report delinquencies and experienced a reduction of patient load due to budget cut backs from major funding sources (Medicaid and Uncompensated Care) leading to understaffed

and un-maintained facilities. The original expenditure authority was sufficient to cover the anticipated cash shortfall from patient services collections, but not enough to cover the \$17,348,351 that was withdrawn by the DCA. LSUHSC-HCSO management had been working with the DCA with the expectation that the \$17,338,351 would be returned to LSUHSC-HCSO before the end of the fiscal year. It was not until June 29, 2001 that it was determined that the \$17,238,351 would not be returned before the end of the fiscal year.

LSUHSC-HCSO Management continues to work with DCA to have the need repayment entered to repay the Restricted Funds so that the hospital can use the funding for re-capitalization, which was the legislative intent of Act 3.

If further information or clarification is needed, please advise.

Sincerely,


Judy M. Albin
Acting Comptroller